

The NATIONAL UNDERWRITER



THIS POLICY "*Shoo!*" AWAY TROUBLE FOR HOMEOWNER AND AGENT

HERE is a policy homeowners will appreciate and buy if it is explained to them. Briefly, this protection avoids the possibilities of financial loss because of the ownership and maintenance of a home and in connection with the personal activities of the owner and the individual members of his family.

ADVANTAGES OF THE PREMIER RESIDENCE POLICY

- All the necessary coverages are concentrated in one simplified, compact and understandable contract.
- Eliminates the chance of duplicate coverage.
- Brings all residence casualty insurance to one common expiration date.
- Enables purchase of certain desirable types of coverage which cannot be secured in individual policies.
- Prevents lapsing of some important coverage because of oversight.
- Schedule clearly shows which coverages policyholder has selected.

- Enables agent to make a survey of insurance needs.
- Broad protection obtainable at minimum cost.
- Can be written for one or three years, and if for three years is payable in instalments, if desired.
- Relieves homeowner of trouble and worry regarding a variety of home protection.

Recommending the Premier Residence Policy to the homeowner offers a good method of adding customers to your clientele.

Handsome, concise booklet illustrating need for this protection entitled "Protecting Your Home" available at Travelers offices.

THE TRAVELERS

The Travelers Insurance Company
The Travelers Indemnity Company
The Travelers Fire Insurance Company

HARTFORD

CONNECTICUT

THURSDAY, JANUARY 2, 1936

Year in and year out you'll do well with the



HARTFORD ACCIDENT AND INDEMNITY COMPANY

HARTFORD • CONNECTICUT

1936 JANUARY 1936						
SUN	MON	TUES	WED	THU	FRI	SAT
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

1936 FEBRUARY 1936						
SUN	MON	TUES	WED	THU	FRI	SAT
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

1936 MARCH 1936						
SUN	MON	TUES	WED	THU	FRI	SAT
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

1936 APRIL 1936						
SUN	MON	TUES	WED	THU	FRI	SAT
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

1936 MAY 1936						
SUN	MON	TUES	WED	THU	FRI	SAT
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24 31	25	26	27	28	29	30

1936 JUNE 1936						
SUN	MON	TUES	WED	THU	FRI	SAT
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

1936 JULY 1936						
SUN	MON	TUES	WED	THU	FRI	SAT
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

1936 AUGUST 1936						
SUN	MON	TUES	WED	THU	FRI	SAT
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23 30	24 31	25	26	27	28	29

1936 SEPTEMBER 1936						
SUN	MON	TUES	WED	THU	FRI	SAT
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

1936 OCTOBER 1936						
SUN	MON	TUES	WED	THU	FRI	SAT
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

1936 NOVEMBER 1936						
SUN	MON	TUES	WED	THU	FRI	SAT
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

1936 DECEMBER 1936						
SUN	MON	TUES	WED	THU	FRI	SAT
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

The National Underwriter

WEEKLY NEWSPAPER OF INSURANCE

Fortieth Year—No. 1

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, JANUARY 2, 1936

\$4.00 Per Year, 20 Cents a Copy

Ocean Marine Is Showing Increase

Premiums Advance About 20 Percent Over the Returns for 1934

SEA SAFETY TO THE FRONT

Some of the Features of the Closing Year That Are Interesting to Underwriters

By DOROTHY B. PAUL

NEW YORK, Dec. 31.—The premiums on ocean marine underwriting for the past 12 months are conservatively estimated to have increased about 20 percent over the 1934 figures. While the first month started out with three serious losses, there have been fewer major catastrophes than in 1934. The "Havana" was grounded on a coral reef off the West Indies and heavy damage as well as severe salvage costs resulted. The "Mohawk" collided with the "Talisman" on Jan. 24 off the Jersey coast and burned with a resulting loss of 46 lives and claims paid by underwriters in amount of \$1,500,000. The third casualty was the stranding of the "Silver Yew" with a heavy cargo of rubber off the coast of Halifax.

Safety at Sea to-the-Front

These losses together with the "Moro Castle" of the previous year brought the question of safety at sea more clearly before the public and 18 bills were prepared for introduction into Congress. Although they were not all entered, definite results were obtained. Regulations recommended by the National Fire Protection Association relating to the hazard of fire on shipboard have been adopted and all ships now being constructed are equipped with automatic fire alarms as well as water tight subdivisions to provide against sinking. Those ships already in use are to be reconditioned according to the latest rules as rapidly as possible.

Limit of Ship Owners Liability

One of the questions brought up by the recent disasters was that of the limit of liability which could be imposed on shipowners. The measure was strongly contested by the shipping industry which contended that if such a proposal were adopted, the extra charges could not be absorbed and passenger and freight rates would have to be raised accordingly. The measure did not pass the Senate.

Another controversy which has waged during the past year has been over the inclusion of the "both to blame" clause in bills of lading by steamship companies. The terms of this clause are as follows: "If the shipowner shall have exercised due diligence to make the vessel seaworthy and properly manned, equipped and supplied, then if

(CONTINUED ON PAGE 23)

The National Underwriter and Its Many Activities

By HOWARD J. BURRIDGE

There must be many readers of THE NATIONAL UNDERWRITER who get the paper each week, who read it regularly, but yet who do not have a very clear conception of just how far reaching an enterprise this publishing company is, how many branches of the insurance business it serves, and in what ways. Those who go to the various conventions have met several of our so-called "outside" editorial men who cover these meetings for us, such as Managing Editor C. M. Cartwright, Assistant Managing Editor Levering Cartwright, President E. J. Wohlgenuth; our two associate editors at New York City, George A. Watson and Robert B. Mitchell; Dale R. Schilling, Frank A. Post, Charles D. Spencer, Dorothy Paul and others of the editorial and business staffs, some one of whom is always in evidence wherever insurance men gather.

Large Corps of Workers Are in the Field

But there is a great deal more to The National Underwriter Company than simply its news gathering facilities. As a matter of fact, it is a highly departmentalized organization producing regularly nearly every type of insurance publication, and employing a corps of workers, the extent of which is not realized by the hundreds who know only one phase of THE NATIONAL UNDERWRITER's operations.

For example, at the Chicago office every week there are published two separate and distinct editions of THE NATIONAL UNDERWRITER, one devoted exclusively to life insurance and the other to fire and casualty insurance. These issues are sent to press on a daily newspaper basis. All of the last minute news comes in from every part of the country by telegraph and the process of making up the pages and handling last minute spot news is exactly similar to that which is followed by any big metropolitan daily newspaper. Not only that, but when the papers are finally printed they are weighed by government weighers, stationed in the printing office to save time and then rushed to fast mail trains so that the fire and casualty edition for example arrives in most insurance offices in the central west on Thursday morning, in the east on Friday morning and in practically all of the cities remotely located from Chicago not later than Saturday. Ordinary mailing would not get THE NATIONAL UNDERWRITER to its readers with anything like this speed. Mail and fast train schedules have been carefully studied so as to insure the paper being routed in the speediest possible manner.

During the convention season there are very often hectic periods for the editorial department. THE NATIONAL UNDERWRITER makes it a rule to cover with a trained reporter every major and nearly all minor insurance gatherings. There are sometimes as many as five or six important conventions going on at the same time, in such widely scattered cities as Los Angeles, Dallas, Atlanta, New York, Kansas City and Seattle. This means that THE NATIONAL UNDER-

WRITER has to have a representative at every one of these meetings, that their stories, many of them lengthy and in great detail, have to be handled and published, and that very frequently they are getting out special editions devoted to this, that or the other insurance organization. All of these conventions must be covered and various special issues published while the two regular editions of THE NATIONAL UNDERWRITER are coming out in the usual way. There is thus during certain times of the year a peak load for the editorial department of which the reader who gets the material may be unconscious.

Number of Men Assigned to Editorial Work

There are nine full time editorial men with THE NATIONAL UNDERWRITER and six who devote about half of their time to editorial work. But getting out the two separate issues of THE NATIONAL UNDERWRITER and the special numbers that come from time to time during the year is only one of the activities of its Chicago office. Three monthly papers are circulated from Chicago each month. The oldest of these is the "Accident & Health Review," edited by Frank A. Post with Robert C. Straub as business manager. It is the only paper devoted exclusively to accident and health insurance, is widely read by all of those in that business and is larger than many papers that are put out by an independent publishing concern.

Insurance Exchange Magazine Goes Only to Cook County

Another monthly paper is the "Casualty Insurer," edited by John F. Wohlgenuth, which is also somewhat exclusive in its nature, being the only paper devoted entirely to the casualty and surety business.

A third activity that requires the attention of the Chicago office each month is the issuance of the "Insurance Exchange Magazine," the editor of which is Dale R. Schilling. The business manager, Otto E. Schwartz, probably

(CONTINUED ON PAGE 12)

ANNOUNCEMENT

The National Underwriter finds pleasure in announcing the election of Howard J. BurrIDGE, vice-president and general manager of the publishing company to the post of executive vice-president. Mr. BurrIDGE went with The National Underwriter as a very young man and has been identified with its work in the field as a salesman, served it in its editorial and news department and later was placed in charge of its sales force and production. His contribution in this issue, outlining some of the activities and scope of the organization with which he is so successfully identified, will prove of interest.

Commission Issue Comes to Front

Missouri Compromise in Rate Case Meets a Very Serious Problem

O'MALLEY IN THE BREACH

Companies Confronted with a Rule That Prohibits Payment Where Premiums Are Returned

A very surprising and difficult problem was forced on the fire companies that were seeking to settle the Missouri rate litigation whereby 20 percent of the \$11,000,000 in excess premiums collected since 1930 be returned to the policyholders. Out of the remaining 80 percent there was to be paid for attorney's fees 30 percent, thus providing the legal expense fund for both the state and the companies. There was to go to agents 25 percent. The compromise was reached between the state authorities and a committee representing the companies.

Want Commissions on All

A movement was started at St. Louis to force the companies to pay the full commission on the entire impounded fund. The companies contended that they were not responsible for the commissions on the 20 percent refunded to policyholders, that being return premiums. Hence the commission percentage was based on the 80 percent. When the St. Louis agents were joined by the Kansas City agents in the demand the matter assumed serious proportions.

The company managers held a conference in Chicago and declared that the rules of the Western Underwriters Association would be violated if the commission on the full amount were paid. Specific legislation was passed a few years ago that covers just such a contingency as arose in Missouri. When the agents were notified that the companies could not accede to their request, the former took up the subject with Insurance Superintendent O'Malley who wired C. R. Street, western manager Great American and chairman of the subscribers actuarial committee, that under the agreement the companies must pay the commission on the entire fund and if they did not the fat would be in the fire and the compromise agreement overthrown.

Street Conferred With O'Malley

Mr. Street journeyed to Jefferson City to confer with Superintendent O'Malley. He informed the official that the companies felt sure of the correctness of their position with reference to commissions on the amount of impounded premiums returned to policyholders, yet they realized that an awkward situation developed because of misunderstanding at this time. He informed the superintendent that he and his committee would undertake to see if there is any method

(CONTINUED ON LAST PAGE)

Backward Glance Over Closing Year

Some of the Conditions Found in
the Southeastern
Field

KNOTTY PROBLEMS AHEAD

Miami Hurricane Took Much of the
Profit Out of the 1935
Returns

By LEVERING CARTWRIGHT

ATLANTA, Dec. 31.—The fire insurance year in the south closes on precisely the same note that is heard in the east and west—much profit with much grumbling. The profit comes from a loss ratio between 30 and 40 per cent—amazing anywhere but sensational for the traditionally unprofitable south. The grumbling comes from the disappointing volume and the "evils" collateral to an abnormal profit on the loss side.

Premium Volume Is Off

Departmental managers here estimate the volume this year from the six southern states under S. E. U. A. territory will be less by about 3 percent than for last year. The volume was well ahead until April, ahead enough, in fact, to enable the companies, at mid-year, to show a gain. From then on, however, minus signs appeared. Some companies report a pickup for December, but it is not sharp enough to offset the losses of the last several months.

Some executives here cite the theory of the fire insurance lag to explain the trend as to volume. The gains early in the year reflected the industrial bulge several months previously. Then came a fire insurance slump coincidentally with a pickup in general business after a falling off of general business activity. Now there may be a gain in fire insurance corresponding to the business gain that set in several months ago.

Rate Reduction a Factor

Rate reductions have been a factor in the south. Early this year the penalty charges applying to brick mercantiles and contents were removed. This is estimated to represent a reduction of \$300,000 in volume in the six states. In addition there have been rate decreases in specific classifications representing a reduction in premiums over the last 18 months of \$450,000 per year.

The southern department managers are preoccupied with the competitive situation just as much as are executives in the east and west. Serious non-board competition is something new for the southerners. In the past, such competition has appeared from time to time, but the outsiders have been punished by the southern loss experience and have folded their tents after a year or two. Several of those outside the board, which are operating on a permanent basis, have been regarded by S. E. U. A. members as good citizens and have cooperated in many ways.

Outside Group More Formidable

Now, however, three years of good experience has attracted several potent non-board stock companies and agency mutuals to the south and the organization people are concerned. The Pearl group is being heard from in a prominent way, the General of Seattle, the Kemper mutuals, Central Manufacturers Mutual, Northwestern Mutual and some others.

The total insurance loss as a result of the Miami hurricane is now estimated at between \$3,000,000 and \$4,000,000. It

To Be a Builder



ROBERT R. CLARK, Hartford, Conn.

United States Manager Robert R. Clark of the Caledonian, in addition to the responsibility of managing that company, the Caledonian-American and the Netherlands in this country, will have on hands the erection of the new United States headquarters in his city which will be ready for occupancy the spring of 1937. Mr. Clark has taken high rank in the underwriting field. He is a New Englander and received his education at Boston. He started in the business with a local agency in that city. Later he entered field work, becoming special agent for the Newark Fire in New England and then was appointed general agent for the Caledonian in the New England states. He was advanced to executive general agent at the head office and succeeded R. C. Christopher as United States manager in 1927.

is adjusting out at from 5 to 7 percent of the liability. The 1926 and 1928 storms adjusted out at about 18 percent. The biggest single loss will be about \$600,000 under the non-cancellable pole line policy of the Florida Electric Light & Power Co. This contract was non-cancellable so long as the losses in any one year did not exceed the premiums. It carried a premium of about \$150,000 and was shared by seven companies.

(CONTINUED ON PAGE 23)

Urges Greater Uniformity in Supervision by States

SUPERINTENDENT PINK'S VIEW

Declares That Commissioner Should
Be Held Responsible for the
Companies of His State

Superintendent Pink of New York in his talk before the American Association of University Teachers of Insurance in New York City declared that state supervision can be made much more effective if there is closer cooperation up and down the line. Although there are 48 insurance commissioners he thinks that the job of supervision has been done fairly well.

Superintendent Pink declared that there should not be any regional commissioners' organizations but that all hands should work together through the parent body. He said the aim of state supervision should be to further unify and federalize into one effective national body rather than to subdivide into sectional groups.

Should Hold Home State Responsible

The National Association of Insurance Commissioners, he holds, can do much to establish standards and encourage and compel greater efficiency in states where supervision is weak. The home state should be held responsible for efficient examination of companies and strict supervision. It should be the duty of the national organization, in his opinion, to strengthen state supervision of all regular and routine company examinations and arrange for convention examinations only when a state falls down or there is some unusual difficulty or danger which requires a consultation of experts rather than the regular care of the experienced practitioner.

Codification of New York Laws

He called attention to the work that is being done in codifying New York insurance laws. No needless tinkering, he said, should be permitted. On the other hand, he declared, it is the duty of the state to simplify and modernize its laws. As soon as the department committee has prepared the tentative draft it will be submitted to insurance organizations and authorities to get their advice.

Superintendent Pink said that it has a salutary effect to proceed against directors of insurance companies that

(CONTINUED ON PAGE 23)

May Void D. of C. Ruling on Agents

Decision Holding Them Subject
to Unemployment Tax Be-
lieved Ill-Founded

BOARD IS HARD-BOILED

Leaves Way Open, However, for In-
dividual Appeals Based on "Facts
Peculiar to Case"

NEW YORK, Dec. 31.—Despite the flat statement of the District of Columbia Unemployment Compensation Board that "insurance salesmen are employees," company executives and associations are by no means convinced that the board's recent decision will hold water in court or that individual companies may not be able to get the board to change its decision as far as purely commission agents are concerned.

While the board's decision contains the statement that insurance agents are employees, it also interprets the terms "employer and employee" as being synonymous with the legal terms "master and servant," and states that "therefore, the ordinary rules of law as to master and servant will apply to questions as to who are employers and who are employees under this act."

Contrary Interpretation

Briefs filed by the Life Presidents' Association and the American Life Convention cited numerous court decisions in which it was held that the relationship of an insurance agent to his company or agency did not come under the legal definition of employee or "servant."

A somewhat hard-boiled attitude toward claims for exemption may be discerned in the board's statement that "the general intent of this statute is to extend its benefits to the greatest number of employees; therefore, doubtful or borderline questions as to the meaning of its terms will be decided, in the light of that intent, as giving rise to 'employment' within its meaning." In other words, the board is out to maintain that a state of "employment" exists everywhere that it believes it can make the definition stick and isn't going to concede anything that it isn't forced to.

Power to Direct Is Issue

One of the grounds for believing that the District of Columbia board cannot successfully contend that the term "employee" covers the insurance agent who is paid solely by commission is the statement in its decision that "while the exact definition of master and servant has never been formulated because of the infinite variety of facts to which the term applies, it is well settled that the relationship exists whenever the employer retains the right to direct the manner in which the business shall be done, as well as the result to be accomplished—in other words, not only what shall be done but how it shall be done."

This definition is obviously at variance with the relationship existing between the commission agent and insurance company. The agent-company relationship appears much closer to the following definition of independent contractor, as given by the board in its decision:

Board's Own Definition

"Independent contractors are not employees. The distinction between the two must be determined in many cases upon the exact facts peculiar to the case. In general if a person be subjected to the control or direction of another merely as to the result to be accom-

(CONTINUED ON PAGE 21)

THE WEEK IN INSURANCE

Annual review of ocean marine underwriting for 1935 is given. **Page 1**

Various activities of The National Underwriter are cited by General Manager H. J. Burridge. **Page 1**

Fire companies found it necessary to change their policy payment of commissions on the impounded premiums in Missouri, the agents being granted consideration for the entire amount. **Page 1**

Levering Cartwright, assistant managing editor of The National Underwriter, writes from Atlanta covering the year in Southeastern Underwriters Association territory from a fire insurance standpoint. **Page 2**

Superintendent Pink of New York tells American Association of University Teachers "Problems of a Superintendent of Insurance." **Page 2**

Glimpses over the inland marine underwriting field for last year. **Page 3**

The Michigan department is investigating the activities of the automobile finance companies to ascertain their status. **Page 3**

The Commonwealth of New York celebrates its 50th anniversary this year. **Page 3**

Standard Statistics Company comments on fire and casualty insurance stocks. **Page 4**

The annual fire department instructors conference will be held next week in Memphis. **Page 6**

Atlantic Mutual enters fire field in New York, New Jersey and Connecticut. **Page 8**

The Caledonian group will erect a United States head office building at Hartford. **Page 10**

New life insurance plan is inaugurated by the Blue Goose. **Page 13**

John E. Hoffman, noted marine leader, retires because of ill health. **Page 21**

Automobile deaths in 1935 total 36,000, according to preliminary summary by the Travelers. **Page 25**

Conference in Washington being held to discuss new responsibilities to be imposed on motor carriers April 15 under new federal law. **Page 25**

Massachusetts auto liability situation still subject of conferences. **Page 26**

U. S. Tax Appeal Board rules on accident and health reserves. **Page 27**

American Mutual Liability devises annuity plan adapted to federal old age benefit law. **Page 27**

Finance Offices Are on the Grill

Michigan Department Is Clamp- ing Down on Their Insurance Activities

IS MAKING INVESTIGATION

Will Look with Disfavor on Any At- tempt to Write the Casualty Coverages

LANSING, MICH., Dec. 31.—The Michigan department, through its rejection of two applications, has virtually established a policy not to license automobile finance companies to write public liability and property damage. The forcing of business by finance companies has been an increasingly sore point with the agents in the past few months and open warfare all along the line threatens.

Department officials are somewhat dubious as to the qualifications of any finance company for an agency license and they absolutely deny its right to place business of a casualty character on financed cars since such coverage cannot be deemed to be protecting any interest of the financing concern in the car. The finance companies, however, are more anxious than ever to branch into insurance because of the obviously reduced profits resulting from a lowering of finance charges. Most of the companies are being forced to accept this business on a 6 percent basis due to that plan's adoption by the G. M. A. C., Universal Credit, and other such big companies.

Will Investigate Forms

It is the intention of department authorities to investigate finance companies to see whether they are using illegal forms which keep the car-purchaser in the dark as to his actual insurance coverage. In the past many instances were discovered in which the finance companies covered only their own interest in the installment plan vehicle, leaving the purchaser wholly unprotected since he had been required to place his insurance through the finance company facilities.

Agents are encouraging industrial banks and other similar financial institutions to go out after the automobile finance business in order that the car-buyers may have their choice of insurance facilities. Some such loan agencies are using this argument in their advertising with the full approval of agents.

Larger Cash Sales

Another factor in the current situation, agents point out, is the larger number of cash sales and the smaller share of the purchase price of cars financed since the onset of the depression. This reduction in business for the finance companies, they say, has intensified their hunt for other sources of profit and has moved them to increase their efforts to enter insurance. The agents are extremely doubtful, as are the supervisory authorities, that finance company agencies adhere to legitimate practices in connection with their insurance dealings.

Houle Named Inspector

Victor Houle, Quebec, Can., has been named Canadian head office inspector for the province of Quebec for the Mill Owners Mutual Fire of Des Moines. He has had 19 years' insurance experience as office assistant and inspector for a Quebec insurance agency.

Commonwealth to Observe Its Silver Jubilee Year

The Commonwealth of New York, one of the North British & Mercantile companies, is celebrating its 50th anniversary this year. The Statue of Liberty was erected on Bedloe's island in New York harbor the same year when the Commonwealth came into being. As of Oct. 1, its assets were \$6,745,598, capital \$1,000,000, policyholders surplus \$4,415,554. The original prospectus was put out by the incorporators July 1, 1886. The company was incorporated July 26 and business was started Sept. 15 at 27 Wall street, New York City. M. M. Belding of Belding Bros. & Co. was the first president. Its original capital was \$300,000 but in February, 1887, it was raised to \$500,000. In January, 1907, controlling interest was bought by the North British & Mercantile and it has been associated with that company ever since. Immediately on its purchase it adopted a more aggressive policy and now does a country wide business. The Commonwealth is regarded as a desirable agency company and backed as it is by the North British & Mercantile management it is well received everywhere.

Nebraska Seeks Liquidation of the Union National Fire

Appointment of a receiver and liquidation of the Union National Fire of Omaha were asked by Attorney Logan for the insurance department in court action. Hearing will be Jan. 18. The department alleges heavy depreciation occurred in value of securities held and the company is insolvent. Interests of most policy holders totaling \$1,400,000 were fully protected recently when the bulk of the business was reinsured with the Dwelling House Mutual of Lincoln. C. S. Roberts is president, C. C. Copeland, executive vice-president and C. O. Talmage, secretary. J. A. McKenzie, attorney for the company, said the application would be resisted, and the company would be able to establish its solvency.

Recent examination showed stock outstanding \$231,186, and securities with face value \$300,000, of which \$153,000 was mortgages. Appraisal by the department threw out \$129,000 of this amount as nonadmitted assets. Bond holdings were \$175,000. A heavy writedown of these was made following appraisal, reducing value of \$100,000 bonds deposited with the department below minimum requirements. Most securities were on lands and projects in New Mexico, Tennessee, South Dakota and Kentucky.

Balances Are in Good Shape

Missouri Field Men See a Fine Im- provement in the Credit Situa- tion in the State

KANSAS CITY, Dec. 31.—Balances are in particularly good shape in Missouri, according to field men, and in spite of the fact that agents have large credit balances on commissions in the fund impounded in federal court, very few requests have been received from agents to take their accounts due out of impounded commissions.

Not only are collections better than a year ago, but should continue to be better for some months to come, field men believe. Impounded commissions should enable field men, they say, to clear up practically all old accounts, including those that are being handled by committees and trustees. Missouri field men also report the 1935 loss ratio good. One field man said he believed the loss ratio in Missouri would not run over 35 to 40 percent, which is from 10 to 15 points under what it was last year.

Inland Marine Insurance in the Year Just Closed

By DOROTHY B. PAUL

NEW YORK, Dec. 31.—Perhaps the greatest single event in the inland marine field during the past year has been the passage of the federal motor carrier act, which places the regulation of motor carrier transportation in the hands of the Interstate Commerce Commission. The trucking industry has been in a notoriously bad condition for a number of years and inland marine underwriters have had to bear the brunt of the chaos which resulted. Due to the fact that there has been no regulation over the trucking companies, and there are over 350,000 of them, they have underbid each other to such an extent that in order to make any profit, trucks have been overloaded and otherwise improperly handled.

No Profit on Trucks

More than half the claims that are paid are the results of accidents and fires. With transportation rates so low, insurance rates necessarily have been reduced to such a minimum that profits are impossible. Many panaceas for this condition have been recommended. Chief among them is the proposal for a long haul trucking pool. Marine underwriters are against this, however, for the chief reason that unless all companies join, it would be unsuccessful because outside competition would undoubtedly quote a lower rate. Another fault with the trucking business has been the lack of a standard form bill of lading. Since the passage of the Wheeler bill, committees representing the fire, casualty and marine branches of insurance have been formed and underwriters and shippers have had several meetings with Commissioner Eastman and his committee. It is expected that some concrete results will be forthcoming shortly but to date the only report is a willingness on all sides to co-operate.

Major Difficulty Pointed Out

One of the chief difficulties facing the regulation of the motor truck industry is the fact that in many states motor truck laws do not specifically exempt interstate movements. The reason for this is that trucks use the public roads, whereas rail carriers operate solely over their own property. Evidently some method will have to be found to reconcile the various state laws and their motor truck regulations with the federal motor carrier act.

Under the I. C. C. rule a standard bill of lading will be prescribed. It remains to be determined whether it will be on the basis employed by the rails or that used by the railway express; namely, \$50 per package or 50 cents per pound over 100 pounds, subject to the declaration by the shipper of the value of the excess thereof, with additional charges to be based as per schedule.

Rates Based on Actual Value

If the motor truck carriers should file this latter plan and the I. C. C. accept it, inland marine underwriters will probably find themselves in a much more desirable position because the rates are then applied to the actual value shipped, rather than to the loss limits where there is no knowledge of the actual value. It is also expected that the I. C. C. will exercise control over the loading, size and weight of trucks with a stipulated number of hours for drivers.

Another development inland marine-wise which has attracted much attention has been the redrafting of the personal effects form. While the new policy does not become effective until March 1, 1936 and there are still some changes to be made in it and some difficulties to be ironed out, it is felt that the restrictions drawn up will make it a more profitable coverage for companies

to underwrite. The provisions include a limit of not over 10 percent of the face of the policy, or \$250 per loss for losses incurred in unattended automobiles only if "violent and forcible" entry has been made. The jewelry limitation has now been restricted to not over 10 percent or \$100 per article. Under the new form, physicians' and surgeons' instruments, artificial teeth or limbs have been excluded and fire coverage has been provided under the student endorsement.

Interpretation of "Domicile"

An interpretation of the word "domicile" has been made to the extent that a person living at a hotel may consider that as his domicile providing he gets an endorsement for an extra premium of \$10 minimum or 25 percent of the total. The question of personal property coverage has been an interesting one from the time the form was first devised. At present there are some non-organization companies seeking to write this business in states where the policy is permitted at a lower rate than the one generally prescribed and company men feel that if this practice continues, it will eventually lead to considerable friction. Stamp collections may now be included in this coverage provided they are written under the provision of the stamp collection floater.

Other Changes Made

Other changes made by the Inland Marine Underwriters Association on policy forms during the past year include the removal of the minimum premium requirement on furriers' customers' policies and the waiving of the extra charge for earthquake indemnity on the fine arts coverage in California. Business on the former line is desirable and the loss ratio to date has proven excellent.

One of the most important developments in 1935 has been the adoption by many states of the nation-wide definition of marine writing powers. Washington is notable here because it once adopted the definition, later revoked it and on July 1 of this year Commissioner Sullivan again reinstated it, excluding the personal property floater. The exclusions and conditions made in connection with the various adoptions are interesting, especially where the question of the personal effects floater has been raised. This coverage has largely been included due to the great public demand for it.

Service of the Joint Committee

The joint committee on the interpretations and complaints has rendered much service to the insurance business as a whole through the decisions it has given which have clarified many doubtful situations. Prominent among these was the declaration that whisky warehouse receipts are not proper for a marine coverage. This interpretation of course relates only to those states which have adopted the definition and where the articles of agreement have been declared operative. The insurance of tobacco in sales warehouses on marine or inland marine form is also forbidden. A decision of the committee which was favorable to marine companies was the inclusion of automatic electric signs used for the publishing of news under the inland marine form. Any doubtful case may be laid before the joint committee and a decision will be given promptly.

There has been an increase in inland marine premiums in 1935 and partial credit for this may be assigned to jewelry and fine arts. With the improved economic conditions, jewels now are being taken out of vaults where they have laid for the past four or five years

(CONTINUED ON PAGE 23)

AS SEEN FROM CHICAGO

CHICAGO LOSSES LOW

Chicago's fire loss in 1935, approximately \$3,250,000, is the lowest in 25 years, according to figures tentatively prepared by various fire fighting agencies.

A steady decrease has been reported for the last four years and the 1934 total of \$11,065,437 was high, due largely to the stock yards fire. However, fire losses have decreased \$12,700,000 since 1929 when the figure was \$15,963,979, the highest since the great fire of 1871.

The remarkable decrease in fire loss was attributed to several factors although probably the most important one, according to Chief Fire Marshal M. J. Corrigan, was the efficiency of the men and organizations actually engaged in the work of combating fire.

Other contributing factors were broadcasts to educate the public on fire hazards, the work of the inspection personnel of the Fire Prevention Bureau, the removal of 700 outworn buildings by relief workers under the supervision of the mayor's committee on sub-standard housing, increased man power in the fire department and the successful prosecution of arsonists, made possible by the passage of the model arson law in Illinois.

The new minimum tariff rates promulgated by the Chicago Board and put into effect Dec. 1, providing lower rates on dwellings and flat buildings, is partly a reflection of the city's improved fire loss situation.

SILBER FIRM IS REORGANIZED

Surviving partners and associates of the late Frederick D. Silber, counsel for the Western Insurance Bureau, have formed a new firm, Silber, Clausen, Hirsch & Woley, to continue the general practice of law at 208 South La Salle street, Chicago, in the offices formerly occupied by the old firm of Silber, Isaacs, Clausen & Woley. Partners are Clarence J. Silber, brother of F. D. Silber, Donald N. Clausen, Herbert W. Hirsch, former partners and Norman A. Miller, former associate of the old firm. Robert L. Silber, son of Mr. Silber, and T. N. Lenington are associated with the new firm.

R. M. BECKWITH PROMOTED

R. M. Beckwith has been made assistant manager of the Western Actuarial Bureau, Chicago. His advancement is the result of outstanding work in engineering and rating for the bureau for the last eight years.

Born in Joliet, Ill., and educated in the public schools there, he was later graduated from the insurance scholarship course of the Armour Institute and prior to coming to Chicago in 1927 he was associated for three years with the Michigan Inspection Bureau in Detroit as an inspector and rater. During the war he served over seas for 18 months in the marine corps as a sergeant.

INSURANCE STOCKS INACTIVE

Insurance stocks continued very inactive and slightly lower with the smallest volume of trade in several months, according to H. W. Cornelius of Bacon, Whipple & Co. of Chicago. There was a firm undertone to the market and in a good many instances, it was just a case of change in quotations. The majority of investors appear to be staying on the side lines, waiting until after the new year, to make further commitments.

EXAMINATION MADE

The Illinois department has given a report of its examination of the Lutheran Mutual Fire, 77 West Washington street, Chicago, as of Sept. 1. The examination indicates a good cash position and a favorable financial condition. The report says that the investments are well selected and high grade. On Sept.

23, 1933, a surplus contribution was accepted from the Lutheran Mutual Fire Benevolent Association, in bonds amounting to \$200,000 at par and were put on the books at \$162,595. There is no liability attached to this contribution. Fred Schmitt, assistant secretary and treasurer, looks after the business. The agents are active members of the Lutheran Church. The company operates only in Cook county. Only protected risks are insured. The premiums are based on its own rates. Its premiums for the first nine months amounted to \$12,781 and total income \$26,025. The losses were \$2,565 and the total disbursements \$10,102. Its assets are \$414,249, premium reserve \$23,073, surplus \$391,176.

LINDQUIST DENIED NEW TRIAL

Gustaf Lindquist, former Minnesota insurance commissioner and Abraham Karatz, former St. Paul attorney, were sentenced last week in the criminal court at Chicago to service from one to five years in prison and a fine of \$1,000 was imposed. Their motions for new trials were denied. They were granted

stays of mittimus until Jan. 27 to prepare appeals. They were convicted by a jury of conspiracy to gain control of the Abraham Lincoln Life of Springfield in order to loot the company. Mr. Lindquist has been in jail since his conviction for lack of \$7,500 bonds.

FARM ASSOCIATION MEETING

The Farm Association will hold its annual meeting in Chicago next Wednesday. F. H. Cornell, head of the farm department of the Home, is president. The managing committee will meet in the morning and the association in the afternoon.

LILLY TO MAKE ADDRESS

George W. Lilly of New York City, general manager of the Fire Companies Adjustment Bureau, will be the guest of honor at the meeting of the Western Loss Association at Marshall Field & Co.'s restaurant in Chicago, Jan. 21. J. A. McClelland, general adjuster of the Great American, who is president, announces that this will be open to managers as Mr. Lilly will discuss a number of points of special interest.

HOME'S FARM DEPARTMENT

The farm department of the Home of New York moved this week to its new offices at 309 West Jackson boulevard, Chicago, having a brand new outfit in office equipment.

VIEWED FROM NEW YORK

By GEORGE A. WATSON

BUILDING UP CAPITAL

From some announcements that have already been made the indications seem to be that some companies, both fire and casualty, will build up their capital by declaring stock dividends. There are some insurance buyers who measure companies by their capital. This is not the only consideration that should be kept in mind. However, in order to break down sales resistance company managements find that a capital of \$1,000,000 or more is advantageous. It is known that some of the banks put \$1,000,000 capital as the minimum for companies that they recommend and have on their list.

REJECT COMMISSION RAISE

The suburban division of the New York fire rating insurance organization has rejected the request of the Association of Local Agents for increased commissions and contingents for suburban agents located in Manhattan. In rejecting the request, which was for a 5 percent increase in basic commission and 10 percent contingent commission, the executive committee of the rating organization stated that the weight of reason for the increases would be quite offset by the adverse consequences thereof and gave three principal reasons for its rejection:

Company expenses, still too high despite stringent economies, are due for further increases because of recent and proposed new taxes; another petition for increased compensation of local agents similar to this request, was recently declined by the organization; and the decision of Justice Lehman has created a situation which practically precludes any change in the governing articles of the suburban division which would require a 100 percent affirmative vote by all organization members and subscribers.

COMMENTS ON INSURANCE STOCKS

The Standard Statistics Company, in commenting on insurance stocks, declares that currently selling at close to the highest level since 1930, fire insurance stocks are now regarded as possessing only moderate attraction. The moderate yield afforded by the shareholders of the group and the belief that the long term trend of values is still upward, however, justifies the retention of semi-investment commitments. Selected long pull holdings in the casualty and surety

group, the Standard Statistics feels, should be retained.

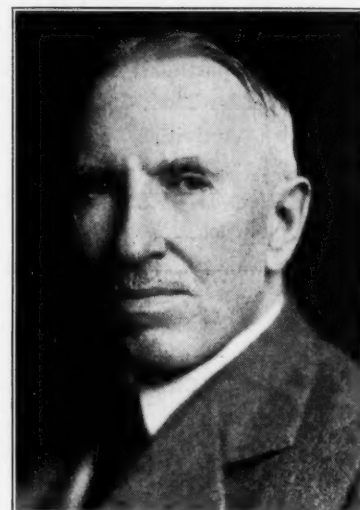
Standard Statistics states that for every 10 percent of appreciation of invested assets of the average fire company, the liquidating value would increase by about 13 percent, assuming unearned premiums remain unchanged. On the other hand it says that some of the companies' holdings such as cash, government and other high grade bonds are not subject to important market appreciation so that a gain of more than 20 percent in value of stocks held, assuming average portfolio diversification, would be necessary to cause a 10 percent gain on total invested assets.

Standard Statistics states that fire insurance stocks would not be expected to appreciate as rapidly as the average common stock under normal conditions. Comparison of fire insurance stocks with other equities, however, it says, indicates that they have experienced greater recovery from the lows of 1932. That cannot be ascribed solely to investment operations, Standard Statistics declares. A more rapid rise in market prices than in liquidating values was the chief explanation, it finds.

Exceptionally favorable underwriting results were another important consideration. The low fire loss ratio has greatly enhanced the situation. Net investment income is being well maintained, it even edging higher, and therefore the additional earned surplus provided by underwriting operations, Standard Statistics says, has permitted the payment of extra dividends. It says, "This policy presumably will be continued as long as profits remain as they are and security values are reasonably well maintained. The prices of the stocks have risen to such an extent however that the average yield even after adding extra dividends is only 3.2 percent."

Speaking of the casualty field, Standard Statistics says, "Recent market action of casualty and surety company stocks, particularly the more speculative issues, fully reflected improvements in underlying assets, values and gradual betterment of underwriting results as well as greater speculative attention. Some companies have been highly successful in reducing underwriting losses and the general trend to premium volume is upwards. It appears therefore that underwriting results, which were decidedly unprofitable from most units

Three Score & Ten



CHARLES R. STREET

Next Sunday, Jan. 5, C. R. Street of Chicago, vice-president and western manager of the Great American group will reach his 70th birthday, the first time that he has given official recognition to his natal anniversary. There has always been a mystery as to his age owing to the fact that his vigor, usefulness, alertness and capacity for work today place him at age 35. However early last year when his friends celebrated his 50th anniversary of entering the business in Chicago, calculating machines showed that he must be nearing the scriptural age. Mr. Street today is in his prime and at the very height of his usefulness to the business.

in recent years, will be relatively satisfactory for 1935 and 1936."

Johnsing Host at Meeting

H. G. Johnsing, president Insurance Exchange of Los Angeles, was host to members of the governing committee exchange and their ladies at a meeting at his home in Flintridge, a suburb of Los Angeles. After a brief business session, the afternoon and evening were devoted to dinner and entertainment. A feature was presentation by the committee to Harry Perk, secretary-treasurer, of a wrist watch in appreciation of his services.

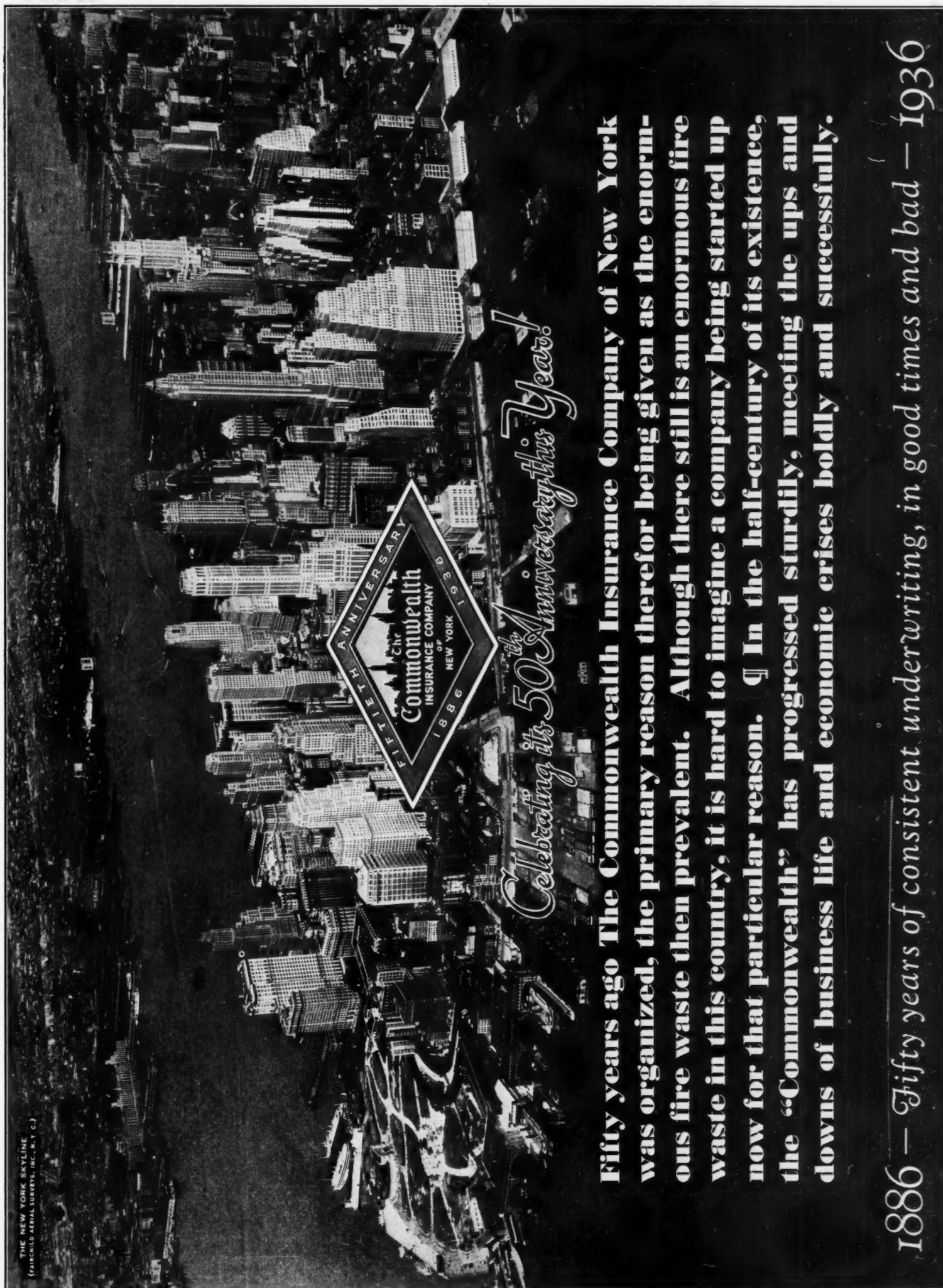
Spokane's Losses Low

SPOKANE, Dec. 31.—Fire losses in Spokane for 1935, it is estimated, will be around \$190,000, bringing Spokane well under the average of total annual losses in other northwest cities. A 5-year average, up to the end of last year, placed losses at \$1.94 per capita. Losses in 1934 were held to \$90,000, a record 20-year low. In the last two years no serious mill or lumber fires have gotten out of control, officials said, and a rigid inspection system is partly given for the good showing.

Ruling on Examinations

BIRMINGHAM, ALA., Dec. 31.—Examination of domestic insurance companies in Alabama once every two years is mandatory upon the state insurance bureau, according to an opinion rendered by Attorney-General Carmichael at the request of Insurance Superintendent Julian. Failure to comply with the law would subject the superintendent to removal from office, the attorney-general held.

The opinion further set out that the bureau of insurance should operate from funds collected by it, and is not subject to the general provisions of the budget act, and that its traveling expenses are not limited to the provisions of the 1935 general appropriation act.



THE NEW YORK SKYLINE
(FAIRCHILD AERIAL SURVEYS, INC., N. Y. C.)

FIFTIETH ANNIVERSARY
Commonwealth
INSURANCE COMPANY
OF NEW YORK
1886

Celebrating its 50th Anniversary this Year!

Fifty years ago The Commonwealth Insurance Company of New York was organized, the primary reason therefor being given as the enormous fire waste then prevalent. Although there still is an enormous fire waste in this country, it is hard to imagine a company being started up now for that particular reason. ¶ In the half-century of its existence, the "Commonwealth" has progressed sturdily, meeting the ups and downs of business life and economic crises boldly and successfully.

1886 — Fifty years of consistent underwriting, in good times and bad — 1936

Fire Department People at Instructors Conference

PROGRAM FOR MEMBERS RALLY

Number of Events Are Scheduled for the Annual Gathering Next Week

With R. E. Vernor, manager fire prevention department Western Actuarial Bureau, presiding, the eighth annual fire department instructors' conference will open next Tuesday at Memphis, continuing through Friday. Over 100, from 18 states, attended last year's conference, which is an invitation affair.

Features of the Program

A comprehensive and diversified program has been arranged for the four-day conference, which is composed of fire department instructors, inspection bureau engineers, fire prevention authorities, fire department officials, and university and vocational educators. The purpose is to enable the leaders who attend to keep abreast of modern training methods, to provide instructional material for the 1936 state and

regional fire schools, and to standardize, as far as possible, the training evolutions.

At the opening session Mr. Vernor will speak on "The Conference," and Marshal H. C. Williams, drillmaster of the Cincinnati fire department, will tell "What the Fire Department Instructors' Conference Has Done for Cincinnati." Prof. L. H. Provine, director of the Illinois State Fire College, University of Illinois, will speak on "The Fireman as a Scientist" at the luncheon meeting, presided over by J. Burr Taylor, special representative Western Actuarial Bureau.

Four addresses are scheduled for the forenoon session, Wednesday: "An experiment in Public Speaking," Harry K. Rogers, engineer, fire prevention department, Western Actuarial Bureau; "New Developments in Fire Department Apparatus," A. H. Gent, engineer, Illinois Inspection Bureau; "Results of the Oklahoma Plan," Fire Chief Ray Pence, Stillwater, Okla., and "Cooperation Between Police and Fire Departments," Chief Lloyd Layman, Parkersburg, W. Va.

During the luncheon meeting, Wednesday, under the chairmanship of Mr. Taylor, "Fire Department Records" will be dealt with by Horatio Bond, engineer National Fire Protection Asso-

ciation, Boston, and Col. Clarence Goldsmith, assistant chief engineer National Board, Chicago, will tell about "Driving Fire Apparatus." Thursday's forenoon session will be devoted to round table discussions of "The State Fire College," "The Regional or Zone School," and next year's conference.

Clifford Davis, vice-mayor and commissioner of fire and police, will tell "What the Public Expects of its Fire Department," at the luncheon meeting that day, presided over by Mr. Taylor. Mr. Rogers will be in charge of fire department evolutions at 1:45 p. m. each day of the conference. J. W. Just, of the Western Actuarial Bureau, will give a demonstration, Tuesday evening, of a unique audio visual method of education, entitled "Magic in Fire Prevention."

Insurance Commissioner W. A. Sullivan of Washington, president National Association of Insurance Commissioners, was the victim of an automobile accident the other day. A car driven by a Japanese gardener knocked Mr. Sullivan's machine in a ditch, injuring the car very badly but the commissioner escaped without harm. However he had to thumb a ride back home and luckily was picked up by an insurance agent who was accompanied by the assistant secretary of state.

Awards Made in 1935 Fire Insurance Week Activities

N. F. P. A. COMMITTEE REPORTS

States, Cities and Towns Showing Greatest Energy in Work Are in Honor List

Indiana, New York, California, Kansas and Iowa received highest honors in the report of the national committee of judges appointed to review city and town reports submitted to T. Alfred Fleming, director of conservation National Board and chairman Fire Prevention Week committee of the National Fire Protection Association, on activities during Fire Prevention Week, Oct. 6-12.

The committee was composed of P. B. Sommers, president American of Newark and vice-president National Board; G. W. Elliott, general secretary Philadelphia Chamber of Commerce and first vice-president N. F. P. A., and Frank Charlesworth, chief Providence fire department, representing International Association of Fire Chiefs.

Campaign Intensive

Definite improvement in intensiveness and effectiveness of the campaign was noticeable. Reports show that in the United States during the period Sept. 20-Oct. 19, there were 336 fire-loss weeks and 87 cities had weekly fire loss less than \$35.

Merit awards by the judges for the 10 leading cities, all with grade of 95 percent and receiving highest honors, went to Hartford, Honolulu, Jersey City, Los Angeles, Newark, Parkersburg, W. Va.; Philadelphia, Prescott, Ariz.; Providence, R. I., and Wichita, Kan.

Cities receiving honor grade between 90 and 94 percent are: Amarillo, Texas; Atlanta, Ga.; Baton Rouge, La.; Cincinnati, Colfax, Wash.; El Paso, Fort Collins, Colo.; Lakewood, O.; Pine Bluff, Ark.; Portland, Me.; Portland, Ore.; Ridgewood, N. J.; St. Louis, San Francisco, Cal.; Savannah, Ga.; and Valley City, N. D.

The state and winning cities are: Alabama, 1. Birmingham; 2. Gadsden. Alaska, 1. Ketchikan; 2. Juneau. Arizona, 1. Prescott; 2. Yuma. Arkansas, 1. Pine Bluff. California, 1. Los Angeles; 2. San Francisco.

Colorado, 1. Fort Collins; 2. Denver. Connecticut, 1. Hartford; 2. Greenwich. Delaware, Wilmington. Georgia, 1. Atlanta; 2. Savannah. Hawaii, 1. Honolulu; 2. Hilo. Idaho, 1. Pocatello; 2. Lewiston. Illinois, 1. Wood River; 2. Murphysboro and Western Springs.

Indiana, 1. Indianapolis; 2. Fort Wayne. Iowa, 1. Marshalltown; 2. Waterloo. Kansas, 1. Wichita; 2. Kansas City. Kentucky, 1. Newport and Owensboro; 2. Louisville.

Louisiana, 1. Baton Rouge; 2. Lafayette. Maine, Portland. Maryland, 1. Salisbury; 2. Hagerstown. Ohio, 1. Cincinnati and Lakewood; 2. Toledo.

Oklahoma, 1. Stillwater; 2. Blackwell. Oregon, 1. Portland; 2. Albany. Pennsylvania, 1. Philadelphia; 2. York. Rhode Island, 1. Providence; 2. Pawtucket.

South Carolina, Columbia. South Dakota, Huron. Tennessee, 1. Johnson City; 2. Knoxville.

Texas, 1. El Paso; 2. Amarillo. Vermont, Rutland. Virginia, 1. Newport News; 2. Roanoke. Washington, 1. Colfax; 2. Tacoma. West Virginia, 1. Parkersburg; 2. Weston.

Wisconsin, 1. Oshkosh; 2. Wausau. Wyoming, Cheyenne.

Glen L. Pickens, Des Moines, Iowa, state agent Phoenix of Hartford group, was married in Monmouth, Ill., to Miss Edith Shimmis. Following a wedding trip to Hot Springs, Memphis and New Orleans, they will be at home in Des Moines after Feb. 1.

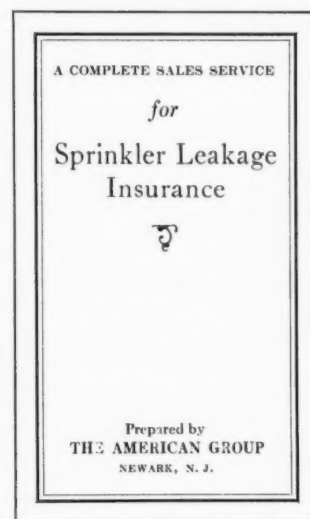
A New AGENCY SALES SERVICE!

Now is the time to sell Sprinkler Leakage Insurance. We are ready with facts essential to selling and writing this class of Insurance, in concise form.

Of course, the prospects for Sprinkler Leakage Insurance are obvious, but the need for this protection is frequently not so obvious to them. We have analyzed these objections, and have prepared a solicitation letter and sales talk designed to overcome this resistance while still a-borning. Furthermore, we have a new and novel Policy Sticker, guaranteed to arrest the attention of both owner and occupant of a sprinklered building.

This complete Sprinkler Leakage Sales Service is now available to our Agents, and to others who may feel the need of a Company which renders an ever-improving Agency Service.

BY THE FIRE COMPANIES
OF THE AMERICAN GROUP



THE AMERICAN OF NEWARK

THE COLUMBIA FIRE OF DAYTON

DIXIE FIRE OF GREENSBORO

There is a large volume
of Fur insurance premiums
awaiting the alert agent
who pushes this coverage.



PROVED BY THE ACID TEST OF TIME

The AMERICA FORE GROUP

THE CONTINENTAL INSURANCE COMPANY
AMERICAN EAGLE FIRE INSURANCE COMPANY
FIDELITY-PHENIX FIRE INSURANCE COMPANY
FIRST AMERICAN FIRE INSURANCE COMPANY

Eighty Maiden Lane,



of Insurance Companies

NIAGARA FIRE INSURANCE COMPANY
MARYLAND INSURANCE COMPANY OF DELAWARE
THE FIDELITY AND CASUALTY COMPANY

ERNEST STURM, Chairman of the Boards
BERNARD M. CULVER, President

New York, N.Y.

NEW YORK

CHICAGO

SAN FRANCISCO

ATLANTA

DALLAS

MONTREAL

Examination Racketeering Feared in Some Circles

Opponents of the proposed convention examination plan for companies as adopted by the National Association of Insurance Commissioners whereby at least every three or five years all companies doing business in three or more states shall be subjected to such examination are calling attention to the situation with the Great American Life of St. Louis, which since Oct. 1 has been in the hands of 25 examiners from eight states. It is estimated that it will take these men until April 1 to complete the job and the cost to the company is estimated at \$100,000.

Some of the states have taken the position that this examination is entirely uncalled for and that if any investigation were needed, no more than three states should have been assigned.

The opponents declare that this convention scheme can easily be diverted into an "examination racket." Many fear that this plan is proposed largely to give jobs to political henchmen at the cost of the insurance business. Undoubtedly serious opposition will be brought to bear at the annual meeting of the commissioners to prevent convention examination racketeering.

Atlantic Enters Fire Field

Company Begins Operations in Three Eastern States in Order to Extend Marine Facilities

NEW YORK, Dec. 31.—For the purpose of extending its present facilities in the marine insurance field, the Atlantic Mutual on Jan. 1 will commence operations in the field of fire insurance in New York, New Jersey and Connecticut. Up to this time, the company has written fire risks and allied lines only in connection with marine contracts. Although the fire risks will be written only in the east at the present time, it is expected that this class of business may later be considered in all the states where the company is authorized to transact business.

Reasons for Move

Edwin C. Lewis, who has been with the company since March, 1935, and who was formerly assistant to the manager of the American & Foreign, will be in charge of the fire insurance department. Mr. Lewis will work in cooperation with B. F. Tuttle, assistant vice-president of the Atlantic Mutual, who is in charge of inland marine activities.

William D. Winter, president of the company, states that the decision to enter the fire field was motivated with regard to placing the company in the same position that other marine companies have maintained in the writing of fire coverage. Since the world war numerous fire companies have been

doing marine business, and since that time the marine organizations have also transacted fire business. It was felt in addition that the Atlantic Mutual should also offer the same competitive facilities to brokers.

Organized in 1842, the company has been one of the leaders in the marine field and with its entrance into the fire field it is pointed out that such business written will be in conformity with the New York rating organization, and according to similar rating bodies in other states. The company issues scrip participating, cash participating and non-participating policies, but there will be no fire policy on the scrip participating plan. The standing of the company, which writes non-assessable policies only, reveals it is one of the strongest. As of Dec. 31, 1934, total admitted assets were \$19,648,568 and total liabilities \$7,819,249. During the five years ending in December, 1934, the company's incurred loss ratio averaged 29.8 percent of earned premium and its incurred loss ratio for the same period was 39.3 percent of written premiums.

President Well Known

President William D. Winter started with the organization in 1901 as an office boy, later being advanced to the offices of underwriter and vice-president. He became president on Aug. 7, 1934. He is a graduate of New York University law school and is well known in the marine field as a lecturer and as the author of "Marine Insurance." He was president of the Insurance Society from 1928 to 1930 and later was vice-president of the Institute of America.

Report on Illinois Mutual

Illinois Department Gives Some of the High Lights After Having Made an Examination

The Illinois department has released its record of the examination of the Illinois Mutual Fire of Belvidere, Ill., as of Sept. 1. Its assets are \$115,774, premium reserve \$67,181, surplus \$46,146. It finds the company in fair cash position and with a good gain from its underwriting, the report declares, due to a low loss experience. The steady progress which the company should make because of careful selection of risks, the report says, is retarded by heavy losses from investments due to a less careful selection of securities. The examiners recommend that more time be devoted to this department. O. H. Wright is president; W. F. Brown, vice-president, and E. H. Tripp is secretary.

Writes a Joint Policy

The company writes a joint automobile policy with the Builders & Manufacturers Casualty of Chicago. It assumes all liability in claims for fire, theft and tornado. The company does business through agents and the commissions are 25 percent for new business and 15 percent for renewals. A commission of 15

Question of Contribution

In the issue of Dec. 12, there was published a question from an agent on the supplemental contract. He had been told by adjusters that in case an assured carried \$2,000 fire insurance, \$2,000 windstorm and \$4,000 fire with supplemental contract, he could collect only 5/6ths of any windstorm loss because of the apportionment clause in the supplemental contract, requiring that all losses be prorated with all fire insurance on the property, where it contained the supplemental contract or not. THE NATIONAL UNDERWRITER answered that in its opinion the assured would not be penalized, since he carried as much tornado insurance as fire insurance and thus complied with the conditions of the apportionment clause.

Comment by Loss Superintendent

The loss superintendent of a prominent western department writes as follows:

"I have read with interest the 'Question of Contribution,' shown on page 17 of your Dec. 12 issue. Frankly, I do not blame the agent for being provoked when he is told by adjusters that although the assured has equal amounts of fire and tornado insurance he is penalized under the supplemental contract apportionment. Adjusters, in advising the agency on this apportionment, evidently attempted to read something into it that does not appear therein.

Will Pay Two-Thirds of Loss

"The first apportionment in the form indicates the company will pay that proportion of the loss that the amount of insurance under the policy bears to the whole amount of fire insurance, (not fire and tornado insurance). As there was \$6,000 fire insurance, and the policy in question was for \$4,000, the supple-

mental contract policy would pay 4,000/6,000ths, or 2/3 of the loss, making a payment of \$400, providing this amount does not exceed the figures arrived at in the second apportionment, which provides that the company will pay that proportion that the amount of insurance under the supplemental contract policy bears to the amount of all the insurance covering in any manner such loss or damage. The loss is by tornado. There is therefore a total of \$6,000 tornado insurance. The proportion here again would be 4,000/6,000ths, or 2/3, making the loss under either of the apportionments, under the supplemental contract, \$400. As the tornado policy pays \$200, the assured collects his loss in full under the apportionment as written, and it would seem the statement that the assured is penalized \$100 is erroneous, and is based upon including something in the form that does not appear therein."

Comment by an Adjuster

A prominent Chicago adjusting official agrees with THE NATIONAL UNDERWRITER, but suggests that readers be reminded that in case the figures were reversed; that is, the assured carried \$2,000 fire with supplemental contract, \$4,000 fire and \$2,000 tornado, there would be a penalty on windstorm losses. In this case, the assured would have a total of \$6,000 fire and only \$4,000 tornado, hence the assured could collect only 2/3 of any loss.

Another agent asks what would be the answer to the original question if the loss were smoke damage instead of tornado. The answer is the same, except that items not eligible for smoke damage insurance are not included in computing values and no fire insurance on such items is considered.

percent is paid on the joint automobile policies. For the last eight months the premiums were \$47,204, total income \$49,921. The losses were \$7,097, total disbursements \$38,642.

From Jan. 1, 1932, to Sept. 1, 1935, the premiums earned were \$222,158, losses incurred \$57,440, loss adjustment expense \$3,113, underwriting expense \$97,134, total \$157,686. Its gain from underwriting was \$64,472. The loss from investments was \$6,067. Its gain from underwriting and investment therefore was \$57,993.

The surplus as of Dec. 31, 1931, was \$43,373, so during the period there has been a gain of \$2,773 in this item. The examiners say that the company's books and accounting system are modern and accurately kept.

Propose St. Louis Changes

ST. LOUIS, Dec. 31.—At the annual meeting of the St. Louis Fire Underwriters Association, Jan. 21, three amendments approved by the executive

committee will be voted on. One provides that no one shall be a member who has any affiliation with any other agency having an office outside of the city or county. Another provides that no registration can include any one who has any affiliation outside except as provided for nonresident brokers. The third provides that no salaried employee of an insurance company shall be eligible for broker registration but that present registrations will not be disturbed. The class 2 and class 3 members will meet Jan. 3 to select four members to serve on the executive committee.

Elect Exchange Officers

At the meeting of the Tyler, Tex., Insurance Exchange, the following officers were elected: R. L. Caton, president; Ray Smith, vice-president, and Julius Bergfield, secretary-treasurer. Fire losses in Tyler have been reduced the past few years to a point where a 9 percent penalty has been changed to a 12 percent credit.

TRIFLES MAKE PERFECTION

But Perfection Is Not A Trifle

And so it is with Insurance Companies.

It's the Company showing consideration when least expected and which performs little acts of accommodation with a friendly attitude that makes an agent feel he has the "perfect" Company in his office.

Trifles, perhaps, but yet SO important!

Why not become acquainted with us?

SECURITY FIRE INSURANCE COMPANY

"Your friendly Company"

DAVENPORT

"PROTECTION SINCE 1883"

IOWA

Exclusive Arapahoe Club Holds Christmas Party

SAN FRANCISCO, Dec. 31.—Former Denver special agents who have since located in San Francisco gathered one day here as guests of Otho E. Lane, president of the Fire Association, himself a former knight of the intermountain territory. The gathering was a Christmas party of the Arapahoe Club, an exclusive organization founded about 10 years ago by F. M. Avery, vice-president of the Fire Association, and H. L. Simpson, associate manager Great American and Phoenix of Hartford groups. The Arapahoe Club receives its name from the name of the county in which Denver was founded. Denver later grew to absorb the entire county. The club members meet at regular intervals and its purposes are purely social.

Members of the club in addition to Messrs. Lane, Avery and Simpson are, A. T. Bailey and C. W. Bailey, North British; Charles A. Colvin, Providence Washington; R. R. Chapman, Corroon & Reynolds; William Deans, Selbach & Deans; C. K. Drew, "Western Underwriter;" E. C. Fox, Cravens, Dargan & Fox; H. R. Jackson, Crum & Forster; J. A. Loftus, J. F. Magee, M. E. Pinney, Harry Schroeter, Bismark Selbach, L. P. Terhune, H. B. Tickner and F. G. White.

Truckmen and Underwriters Consider New Bill of Lading

NEW YORK, Dec. 31.—A committee of inland marine underwriters met this week with representatives of trucking companies to discuss a proposed bill of lading drawn up by the latter. Criticisms of the forms and suggestions were made. Another meeting will be held in January when the final form will be presented for approval of the underwriters before submitting to the Interstate Commerce Commission authorities.

Hunt Upholds Examinations

PHILADELPHIA, Dec. 31.—Commissioner Hunt of Pennsylvania today vigorously upheld the proposed convention examination of insurance companies and vehemently denied that the purpose behind the plan was a "political plunderbund."

He stated that any company operating in three or more states should be examined by more than one department, and that an examination signed by three states is far better than one signed by a single state.

"The convention examination," Mr. Hunt stated, "is designed not only to protect the policyholders but also to save the companies from unnecessary and racket examinations. The plan will not cost the companies any more as there will be a fixed schedule of charges. Any state desiring to examine a company domiciled in another state will have to make its request to the examination committee of the National Convention of Insurance Commissioners. And if that committee thinks the examination unnecessary, it will say so."

Provident Capital Increased

Paid-up capital of the Provident Fire has been increased from \$500,000 to \$1,000,000 by issuance of additional stock, all of which has been subscribed for by the present stockholders, President Arthur Waller announces. The company is owned by the Royal Exchange of London and was organized under the New Hampshire laws in 1924.

Smith Holland with America Fore

Smith E. Holland has been appointed special agent for the America Fore group in Kentucky, succeeding I. J. Holmgren, who recently resigned. Mr. Holland, a native of Kentucky, has had a number of years local agency and field experience.

Insurance Stock Gains Are Predicted This Year

NEW YORK, Dec. 31.—Assuming continuance of present security market conditions, insurance stocks are in a position to extend gains made in 1935, according to H. S. Hoit of Hoit, Rose & Troster, New York City investment securities house.

"Insurance stocks in the New York City market kept pace with the broad advance in the general security markets for 1935," he said. "In doing this, they consolidated their fine gains of 1934, when they outstripped the general market in rising sharply from palpably low levels. Our weighted average of 20 insurance stocks (15 fire, three casualty and two life) has appreciated 36 percent during 1935, which is in line with the 36 percent appreciation in the general stock market (Standard Statistics averages). In 1934 our insurance stock average rose over 46 percent, compared with a decline of 6 percent for the general stock market."

"With substantial market appreciation in security holdings supplementing a continued favorable underwriting experience, insurance stocks were bound to have a good year marketwise. Sharp price movements were absent, indicating steady investment demand. The advance was quietly registered in small upturns that were consistently held."

"During December the average established the 1935 high of 61.3, the highest level since April, 1931. Despite this advance, a group of 20 insurance stocks are currently selling at 15.9 times operating earnings, compared with 20 and 25 times for various representative general market issues."

Non-resident Agents on Increase in Michigan Field

LANSING, MICH., Dec. 31.—Increased competition for Michigan agents from sources outside the state is indicated in records of the department's licensing division. Non-resident agents' licenses issued up to Dec. 1 totaled 413 in 1935 as compared with 330 for the same period in 1934. In November 24 such licenses were issued as compared with only eight in the same month of 1934.

There were 65,975 licenses in force near the end of the year, R. M. Morse, head of the division, reported. This number compared with 63,353 for 11 months of 1934. There were fewer license cancellations last year, only 1,832 for 11 months as against 1,888 in 1934. There were more cancellations in November, 279, compared with 226 for November 1934.

There was a marked waning of licensing activity in November. Only 206 new licenses were issued compared with 247 in November, 1934. Applications dropped off almost exclusively in the life field, with only 137 life agents licensed during the month compared with 171 in November, 1934.

Page Back at His Desk

SAN FRANCISCO, Dec. 31.—Charles R. Page, vice-president Fireman's Fund, has returned to head offices in San Francisco from an extended business trip through the eastern territory, during which he visited department offices in Chicago and New York.

Hauschild in Arizona

MINNEAPOLIS, Dec. 31.—O. D. Hauschild, president of the Insurance Federation of Minnesota, has gone to Tucson, Ariz., to spend the winter.

En route home from spending the holiday season with his family residing in California, Paul Haid of New York City, manager of the Insurance Executives Association, spent a few days in San Francisco visiting various offices and executives. He left for his New York headquarters New Year's eve.

Lower Minneapolis Scale Brings Rewriting of Policies

MINNEAPOLIS, Dec. 31.—In order to take advantage of a reduced rate on school buildings, the Minneapolis board of education has ordered canceled all existing policies and purchase of new ones at the lower rate. The total school coverage is \$15,000,000, the new rate of 47.2 cents per \$100 being the lowest in the city's history. The recent rate has been 58 cents. The reduction will mean a saving to the city of \$5,000 annually and bring total premium on schools down to \$15,000.

The coverage will be handled through 180 agencies, stock companies getting 85 percent and mutuals 15 percent. The Minneapolis school fire rate has dropped 150 percent in six years.

Points to Look After in Making Electric Inspection

The electrical people are becoming more and more prominent in fire prevention work. Local agents and field men in making inspections should give considerable attention to burns. Some of the more common misuses of cord appliances and fixtures are:

1. Running cord under rugs.
2. Running cord over radiators or steam pipes.
3. Placing cord in door jams.
4. Disconnecting appliances by pulling on the cord.
5. Leaving heating appliances connected when not in use.
6. By using toys or novelties as outlets, which were not designed primarily for that purpose.
7. By placing outlets over holes, bored in the floor for the wire, or in other equally dangerous locations.
8. By overloading a plug by attaching too many appliances to it.
9. By hanging pails and other objects on electrical fixtures.
10. By stringing wires, improperly protected, through cellars and attics.
11. Using flexible cording unnecessarily as a substitute for permanent and properly installed wiring.
12. Using even the best of cord too long and failing to examine it regularly.
13. Using lamps and appliances that in themselves may be high grade but which have substandard cord attached to them.
14. Not having electrical repairs and wiring done by a competent electrical contractor.
15. Not having wiring inspected by an electrical inspector.

Report Is Made on Pontiac

The National Board in reporting on Pontiac, Mich., finds that the water supply is now mainly adequate, using wells only. There are slight unreliable features. The fire flow is somewhat deficient in parts of the principal mercantile district and in some other sections, although improved. The fire department is deficient in number of companies and undermanned. The fire alarm system is mainly adequate and reliable.

The engineers say that in the principal mercantile district, fire resistively weak construction makes group fires probable. However, on account of low heights, good widths of several streets, and the fairly good fire-fighting facilities, such fires could be confined.

Charles Cohn Dies

Charles Cohn, who was a well known broker in Chicago and partner in Cohn & Mayer, brokerage firm associated with George Herrmann & Co. in the Insurance Exchange, died this week aged 60.

H. B. Emerson of Atlanta, superintendent of the Rain & Hail Bureau, has been confined to his home about a month while a broken leg mends. The accident occurred while on a hunting trip.

ANSWERS

Question—Tell us what course to take in case the owner of an automobile desires to operate a trailer. Is he covered under his regular policy?

Answer—An automobile liability policy does not cover the assured while he is using the automobile to tow or propel a trailer unless permission is obtained from the company and an additional premium is paid for the use of the trailer. The new standard automobile liability policy, published jointly by the National Bureau of Casualty & Surety Underwriters and the American Mutual Alliance, provides that it shall not cover while the automobile is used for the towing of any trailer not covered by like insurance in the same company, or while any trailer covered by the policy is used with any automobile not covered by like insurance in the same company.

For trailers and semi-trailers attached to private passenger automobiles, the manual provides a flat charge of \$2 for bodily injury liability and \$1 for property damage liability with standard limits, subject to the same increases for higher limits. For commercial automobiles and trucks, a more elaborate system of premium computation is prescribed, these premiums varying with the over-all length and load capacity of the trailer.

A person, therefore, who wishes to operate a trailer should get in touch with his insurance agent and ask him to issue an endorsement to his automobile liability policy, covering the trailer.

Question—A man not owning an automobile often drives cars for others, which he does as a matter of courtesy. He lives with a relative. He drives the relative's car and also sometimes drives cars for others. Can he be covered?

Answer—A person who does not own an automobile can cover his own liability for the operation of any other automobile, either private passenger only, or any type, by an operator's policy. If restricted to private passenger automobiles, the policy takes the "X" rate, while if written to cover the driving of any type of automobile, it takes twice the "X" rate.

If the person lives with a relative and the relative has an automobile covered for bodily injury liability and property damage liability insurance, the "drive other cars" endorsement may be added to the relative's policy, including the person as an additional assured and covering both the person and the relative for the operation of other automobiles. The person, of course, is covered while driving the relative's car by the additional interests clause of that policy. The rate for the limited form of "drive other cars" endorsement, covering only the operation of private passenger automobiles, is 5 percent of the "X" rate for each assured. For the broad form of "drive other cars" coverage, covering the operation of any type of automobile, the additional charge is 25 percent of the "X" rate for each assured.

Question—Can the owner of a school bus who has a bond and also carries a public liability and property damage policy transfer all these to another person who takes over the work?

Answer—This depends almost entirely on the state laws. The liability policy can be transferred to another person, with the consent of the insurance company, provided any formalities required by law are complied with. In case of a bond, most states will not permit a substitution of principal, so surety companies will ordinarily terminate the bond issued to the first operator and execute a new one for his successor. Whether the first operator is entitled to any return premium depends upon whether the company is allowed by law to terminate its liability to the state.



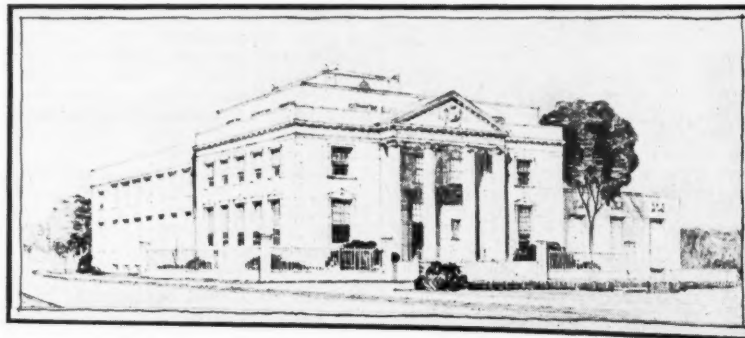
**NATIONAL UNION
FIRE INSURANCE
COMPANY**
Pittsburgh, Pa.

"The way we do things,
not just the way we
say things, is always
the measure of our
sincerity."

—Anon.

**A
Good
Agency
Company**

Caledonian Will Erect Its New United States Building



The Caledonian is celebrating its 130th anniversary and it is also the 50th year of the founding of its United States branch. There are only nine stock fire companies operating now in this country which antedate the Caledonian starting in business. Of these, five have their head offices in London and four in the United States. The Caledonian will establish itself even more firmly in the United States inasmuch as Manager Robert R. Clark of Hartford announces that it plans a new United States head office building to be erected in that city on the site surrounded by Garden and Cogswell streets and opening on the south by a narrow strip to Asylum street. This gives a fine setting for the building.

Made Excellent Record

The Caledonian has made an excellent record and is highly regarded in this country. It does a world wide business and the results it has attained in its operations reflect sound underwriting and a stable financial policy.

The site for its new structure which originally was a part of the property formerly owned by the American School at Hartford for the Deaf, was purchased from the Hartford Fire under warrantee deed. The building is to be demolished very shortly and work commenced on the new building, which it is expected will be completed for occu-

pancy in the spring of 1937. The architect, Carl J. Malmfeldt of Hartford, has been prominently identified with many outstanding building projects in that city.

It is planned to use limestone and granite for the exterior facing, which will be of the modified classical design. The main axis will be on line with Broad street. The building will be built using a fireproof type of construction with two stories, a pent house, and basement, with provisions made for adding a future story. The basement is to have a sprinkler system. A ventilating system with controlled humidification will be installed, together with the usual mechanical and sanitary conveniences.

Floor Occupation

The first floor will contain executive offices and underwriting departments. The second floor will be occupied by statistical and accounting departments. The pent house will contain girls' club room, kitchenette, rest rooms, and space for ventilating equipment. The men's club room, press room, shipping room, storage vaults, supply, storage, boiler room and switch board room, together with four car garage, will be placed in the basement.

The grounds will be arranged with ample outside parking for the staff, and will be landscaped in harmony with the building.

Report of Examination Made

Illinois Department Tells of Its Findings on the United Farm Mutual Reinsurance

The Illinois department has made its report of the examination of the United Farm Mutual Reinsurance of Hoopeston, Ill., as of Sept. 1. The department states that minutes of meetings of the Association of Farm Mutual Fire Insurance Companies of Illinois should be eliminated from the corporate records of the company. Official action should be taken by the directors in adopting any excess reinsurance arrangement. Investments should be approved by the directors or a committee as required by the statutes. Subsequent to the completion of the examination the unsecured loan to the Grant Mutual Fire was paid. The issuance of surplus notes should be approved.

Features of the Report

Its assets are \$54,371 and surplus \$20,931. The department says the company has improved its financial condition considerably as the result of new reinsurance which it now grants and that of reinsuring other local mutuals against excess losses during any calendar year. Approximately \$56,000 in premiums have been collected from this class since the company began writing it the beginning of 1935. The company started in 1920 as the Illinois Thresher-

men's Mutual of Decatur. Then its name was changed to the Perpetual Mutual Fire and it was located at Bloomington. In 1930 it took its present name and had its home office at Hoopeston.

It confines its operations to fire and tornado insurance and reinsurance on both city and farm properties including live stock, farm products and farm machinery. It also insures growing field crops against loss by hail but this is entirely reinsured. In addition the company reinsures various district, county and township mutuals. It operates only in Illinois.

The annual basis rate for fire and lightning on farm property is 35 cents with additional individual charges ranging from 2 cents to 10 cents for certain increased hazards or kinds of buildings. Credits ranging from 2 to 10 cents reduce the basis rate for certain fire protective measures. On city property the rate is 80 percent of the board rate. Windstorm coverage both on farm and city property is written at 15 cents. Hail insurance is included with no specific charge.

The company issues a policy known as the "thresherman's policy" on which insurance on farm power machinery is written against fire, lightning and windstorm. The annual rate is \$1.25. Of this 15 cents is applied to windstorm. The annual rate for hail coverage is \$1.00. Of this 40 cents is collected at the issuance of the policy which is paid to the agent as commission. The remaining \$1.50 is divided equally in two instalments, the first being payable Aug.

15 and the next Sept. 15. This business is entirely reinsured with the Farmers Mutual Hail of Columbia, Mo.

The premiums for the first nine months were \$63,729, total income \$64,544, losses \$2,767, total disbursements \$12,424. Its reinsurance reserve is \$31,443.

Find Agents Fear Not to Sell Supplemental Contract

The companies report that agents in the west are taking full advantage of the new rule, whereunder the supplemental contract may be applied to risks of practically all types, instead of being limited to dwellings, as heretofore. Much of this business is being sold by agents who fear not to sell it. Although an agent may not be particularly enthusiastic about the idea of the extended coverage, yet he is afraid that a competitor may make a campaign in behalf of this contract and undermine some of his business. The agent, accordingly, puts on a campaign of his own, as a defensive measure.

The question has been raised by some agents as to whether the regular riot and civil commotion policy and the riot and civil commotion item in the supplemental contract are identical. The answer is that they are not. There is an additional exclusion in the riot item in the supplemental contract, which has the effect of exempting the insurer for liability on account of any explosion from any pressure container.

In the regular riot and civil commotion policy this wording appears: "This company shall not be liable for loss or damage by explosion originating within steam boilers, pipes, fly wheels, engines and machinery connected therewith and operated thereby." The riot item in the supplemental contract, however, has this additional exclusion: "Nor for loss or damage by explosion originating within other pressure containers."



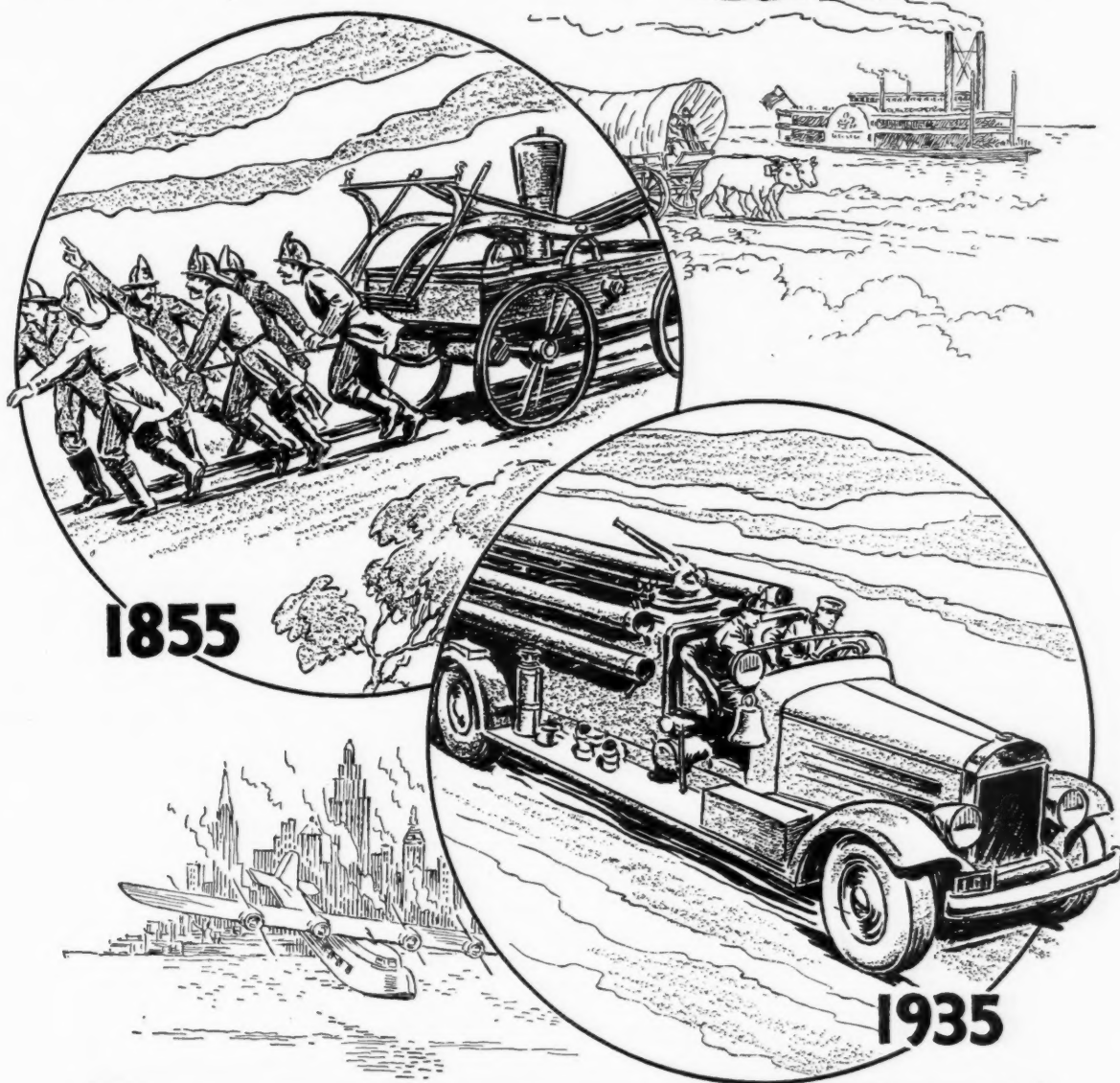
AGENTS of the Twin City are well equipped to take advantage of increasing opportunities for business.

The Twin City Fire Insurance Co. gives prompt and dependable assistance in writing practically all forms of insurance needed by property owners today.

**TWIN CITY FIRE
INSURANCE COMPANY**

John H. Griffin, Vice Pres. & Mgr.
MINNEAPOLIS, MINNESOTA

EIGHTY YEARS FAITHFUL PERFORMANCE



PROGRESS OF AMERICA

Paralleling the vast increase in fire insurance, since the Firemen's Insurance Company was founded in 1855 by a group of Newark volunteer firemen, is the spectacular change in fire fighting from man drawn, hand pumps to high speed motor apparatus.

Keeping pace with the progress of America, the Firemen's Insurance Company, thanks to the loyal support of its agents and policyholders, has become a great insurance institution with a proud record of EIGHTY YEARS OF FAITHFUL PERFORMANCE

LOYALTY GROUP

Firemen's Insurance Company of Newark, N.J.
The Girard Fire & Marine Insurance Co.
The Mechanics Insurance Co. of Philadelphia
Superior Fire Insurance Company
The Metropolitan Casualty Insurance Co. of N.Y.

ORGANIZED
1855
1853
1854
1871
1874

WESTERN DEPARTMENT

844 RUSH STREET, CHICAGO, ILLINOIS

CANADIAN DEPARTMENT

451 BAY STREET, TORONTO, CANADA

EASTERN DEPARTMENT

10 Park Place
Newark, New Jersey

PACIFIC DEPARTMENT

220 BUSH STREET, SAN FRANCISCO, CAL.

SOUTH-WESTERN DEPT.

912 COMMERCE STREET, DALLAS, TEXAS

Milwaukee Mechanics' Insurance Company
National-Ben Franklin Fire Insurance Co.
The Concordia Fire Insurance Co. of Milwaukee
The Capital Fire Insurance Company
Commercial Casualty Insurance Company

ORGANIZED
1852
1866
1870
1886
1909

MANY NATIONAL UNDERWRITER ACTIVITIES

(CONTINUED FROM PAGE 1)

knows more insurance men in Chicago than anyone else who might be mentioned. The "Insurance Exchange Magazine" is a free circulation paper that goes to 10,000 insurance producers in Chicago and Cook county and is edited with the thought in mind that those who get it probably read no other insurance paper. It is interestingly written and contains sales material, news articles, gossip of the business in Chicago and the trend of events in the great Insurance Exchange building. Not only is this paper unique, but the setup which permits its publication is unduplicated because there is no other big city in the United States in which the insurance business is so concentrated as it is in the Insurance Exchange in Chicago.

The redoubtable and celebrated Otto E. Schwartz is also responsible for the production each year of the "Insurance Telephone Directory" of Chicago which is one of the most useful publications that goes regularly to the insurance men of Chicago. Still another activity for which Mr. Schwartz is responsible is the "Underwriters Handbook of Chicago," a complete directory of everyone in the in-

surance business in the Chicago territory, together with his company connection, address, etc. Other insurance telephone directories that are sent out from the Chicago office each year are those that are published for Detroit, Pittsburgh and Philadelphia. There are 29 people attached to THE NATIONAL UNDERWRITER Chicago office who are either in the editorial or business departments. Many of those who travel on the road representing the business department such as William A. Scanlon, R. W. Landstrom, Albert S. Cutler, E. J. Hollister and others headquarter at Chicago.

Number of Men on the Staff in the Field

There are, in fact, 18 men who are on the road for THE NATIONAL UNDERWRITER selling its various publications practically all of the time. These men town in the United States having a population of 5,000 or more at least once a year. They sell everything that is put out by THE NATIONAL UNDERWRITER, and individually and collectively do an impressive volume of business each year. They are substantial, successful men, many of whom have been

with us for 10, 15 and even 20 years. They have hundreds of friends in the insurance business, and they are of service and assistance to insurance men in many ways that are appreciated, entirely aside from their business-getting ability. Whenever they are at an insurance meeting they are usually referred to as "the press," and in such a way as to make it clear that they are welcome. The positions they hold are rather unusual in that they are not exactly duplicated in any other line of trade publishing.

Manifold Activities at the Cincinnati Office

The original and home office of THE NATIONAL UNDERWRITER is not in Chicago but in Cincinnati, being under the management of President E. J. Wohlgenuth. It is housed in two former residences, one at 420 East Fourth street and the other at 413 Arch street, both close to the corner of Fourth and Broadway where the home office of the Western & Southern Life is located. This is one of the most desirable business sections of Cincinnati. It has a charm and a special identity, clustering as it does around Lytle Park, across from which there is a public school and the Literary, University and Queen City clubs.

It is in Cincinnati that THE NATIONAL UNDERWRITER's annual publications are compiled and its monthly loose-leaf services edited. There is the handbook department which publishes insurance directories for 18 states, presided over by Curtis C. Crocker. The statistical life department is a great department, publishing as it does such well known insurance works as the "Little Gem Life Chart," the "Unique Manual Digest," "Fraternal Digest Compend" and the "Annuity Digest." John H. Rader is the editor of these publications, being assisted in his work by A. R. Riggs and W. J. Isaac. Louis H. Martin is the business manager.

Other Publications That Are Issued

This department also produces the "Argus Fire Chart" and the "Argus Casualty Chart." Thousands and thousands of these publications are circulated among and used by insurance men in all branches of the business each year. The "Time Saver," a statistical book for accident and health insurance men, is another Cincinnati office publication. It and the Accident & Health Bulletins are the responsibility of J. T. Maloney.

THE NATIONAL UNDERWRITER's three big monthly loose-leaf services come out of the Cincinnati office. The oldest and perhaps the best known of these is the "Diamond Life Bulletins" which blazed the trail for practically every other loose-leaf service that has been produced for life insurance workers. Its editor, Abner Thorp, Jr., is one of the outstanding figures of insurance publishing. A. R. Jaqua, the associate editor, is almost as well and as generally known. E. F. Gray is the business manager. In recent years this triumvirate has launched the "Agent's Diamond Life Bulletins," a service intended only for the field man as distinguished from the general agent, manager or supervisor. These publications are really encyclopedias of life insurance in its sales and statistical aspects. They are kept up to date each month by sending additional sheets to the regular subscribers, and every new development in the business is in this way broadcast to the subscribers almost as soon as it takes place.

Two Monthly Papers Are Edited at Cincinnati

The same thing is true of the "Fire, Casualty & Surety Bulletins" published out of the Cincinnati office by James C. O'Connor, Jr., the editor. This publication is used by fire and casualty men in the same way that the "Diamond Life Bulletins" are utilized by life men.

Two monthly papers are the productions of the Cincinnati office, "Fire Pro-

tection" and the "Industrial Salesman." "Fire Protection" treats with every phase of fire control and goes to those who are engaged in that work. Its editor is A. W. Hessel. The "Industrial Salesman" is a monthly paper for industrial life insurance men and has acquired a large subscription list.

There is a book department which supplies books on every branch and subject of the insurance business, known to the trade as "The National Underwriter Book House" and under the management of Louis H. Martin.

Estate Reporter Is a More Recent Service

A recently inaugurated publication at the Cincinnati office is the "Estate Reporter," compiled by E. H. Frederickson, and showing by means of tabulation how the average estate shrinks because of federal and state taxes. Altogether there are approximately 100 people on THE NATIONAL UNDERWRITER pay-roll in Cincinnati throughout the year.

To visitors there is quite a difference between the Chicago and Cincinnati offices because while the Chicago office has the newspaper atmosphere, the Cincinnati office is perhaps more typical of the average publishing concern in that there is not needed there the same hustle and bustle that is required at Chicago where someone of the publications is being made ready for the press, sometimes several in one week. At Cincinnati a larger force is required to do the statistical, compilation and research work which requires a more deliberate process, careful checking and the slower phase that must accompany the compilation of accurate statistics.

Branch Office in the New York City Sector

The third largest office of THE NATIONAL UNDERWRITER is located in New York in the heart of the insurance district at 123 William street. The responsibility for the success of this office is in the capable hands of Mrs. Nora Vincent Paul, vice-president, who has been with THE NATIONAL UNDERWRITER for over 20 years. It may very properly be said of her that she is the most successful woman in insurance publishing. She is the friend of almost all of the big eastern executives, knows them in a personal as well as in a business way, and has been responsible for the development of some of the biggest advertising contracts that have yet been produced. She looks after THE NATIONAL UNDERWRITER's advertising and other business activities in the east. Two other representatives of the business department at the New York office are W. A. Spiker and J. T. Curtin. In the editorial department there is George A. Watson, a veteran fire and casualty editor, and Robert B. Mitchell, well known eastern life insurance editor. Miss Dorothy B. Paul, editorial assistant, is at the New York office, and is coming to the front.

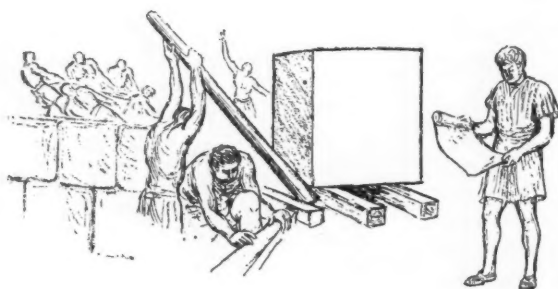
Branch Offices Located in Many Points

A few years ago a Hartford office was opened in charge of Ralph E. Richman, who now looks after THE NATIONAL UNDERWRITER's interests in New England, both editorially and in a sales capacity. Smaller branch offices are maintained at San Francisco, Dallas, Des Moines, Atlanta, Detroit and Philadelphia.

The managers of our regional branch offices are as follows:

Atlanta—Walter M. Christensen; Dallas, Fred B. Humphrey; Detroit, A. J. Edwards; Des Moines, R. J. Chapman; San Francisco, Frank W. Bland; Philadelphia, W. J. Smyth. Another regional manager, George C. Roeding, is attached to the Cincinnati office.

In 1897 when E. J. Wohlgenuth started THE NATIONAL UNDERWRITER, he had a conception of insurance publishing which has developed into a reality in the present National Underwriter Company. That is, his idea was that an in-



For the Ages

It is a fact that the Home office building of the Yorkshire in York, England is built upon a Roman Wall dating back to 100 A.D.—the strength of the Yorkshire's physical foundation is truly reflected in the strength of character upon which the organization is built



Will Wrightman
Field Correspondent

THE YORKSHIRE
INSURANCE CO. LTD.

LONDON & PROVINCIAL
MARINE & GENERAL INS. CO. LTD.

SEA BOARD
FIRE & MARINE AND THE

YORKSHIRE
INDEMNITY CO. OF N.Y.

90 JOHN STREET
NEW YORK CITY

insurance publishing house should be one not merely publishing a paper, but also getting out every other kind of publication useful to insurance men, and regularly needed by them. As one year followed another, new publications and services have been instituted by THE NATIONAL UNDERWRITER. The result is

that our organization has grown into something more than a newspaper office which undoubtedly accounts for its present size and continued development. It is a publishing organization in the truest sense of the word, and its activities are very much more numerous than may appear on the surface.

NEWS OF FIELD MEN

Blue Goose Life Insurance

Grand Wielder Helliwell States That the Plan Has Not Collapsed—New Lineup Provided

Grand Wielder of the Goose Quill Helliwell of the Blue Goose, in commenting on the life insurance situation for members states that there are now in his hands applications from between 1,200 and 1,300 members, or approximately 62 percent of the insured membership. The Old Line Life of Milwaukee with which negotiations were on for a new contract required that 85 percent of the members previously insured send in their applications before its contract became binding.

Wielder Helliwell and Most Loyal Grand Gander T. R. Phillips visited the office of the Lincoln National Life at Ft. Wayne, Ind., which is the present carrier when there was doubt of reaching the 85 percent, and secured from it a binder for 30 days. This protects the policyholders up to Jan. 31. This binder is issued as a preliminary to the writing of the business by the Lincoln National. Wielder Helliwell states that no need for apprehension exists because all those who forwarded their applications by Dec. 31 are protected thoroughly up to Jan. 31. Gander Helliwell states that full particulars will be furnished later. While no percentage requirement now exists, support on the part of younger men will enable the needs of older or impaired members to receive thoughtful consideration at the hands of the company.

Name Iowa State Agent

John R. Oakes has been appointed Iowa state agent by the New Hampshire and Granite State. He succeeds the late Ray Miller of Webster City, Ia. Offices of the companies are being moved from Webster City to the Securities building, Des Moines. Mr. Oakes has been with the New Hampshire a number of years and during recent months assisted Mr. Miller in handling the Iowa field.

Spokane Group to Elect

SPOKANE, Dec. 31.—Election of officers for the Spokane Special Agents Association will take place Jan. 6 at a meeting at the Spokane Hotel. The following have been nominated: President, Keith Rhodes; vice-president, G. J. McGaffin; treasurer, J. T. Breckon; secretary, J. R. Hurley. The executive committee includes: R. W. Hunter, chairman; M. B. Mitchell, C. R. Kearns, R. B. Anderson and R. S. Aitken; conference committee: Mr. Aitken, Mr. Kearns and A. S. Heatfield.

Illinois Blue Goose Committee

Most Loyal Gander A. R. Miller of the Illinois Blue Goose has appointed as nominating committee C. J. Lingenfelder, America Fore; R. D. Wiley, Atlas and J. T. Harding, Millers National. All past most loyal ganders. The annual meeting will be held at Springfield Jan. 15.

Shifts in Texas Field

D. D. McLarry of Dallas, Texas, general agent for the Home of New York group, announces the appointment of Earl M. Holt, of Abilene, to have supervision over the Panhandle section, with

headquarters in the Myrick building at Lubbock, in cooperation with R. W. Grisham, special agent, farm and hail departments. Mr. Holt has represented J. D. Kitchen & Bros., general agents, New Orleans, for 11 years, with headquarters at Abilene.

Albert M. Prater, special agent, will be transferred to south Texas with headquarters to be announced later.

Tobias Still on the Job

The name of W. B. Tobias, 814 Central National Bank building, Peoria, Ill., special agent of the Hartford Fire, was inadvertently omitted from the recently issued Underwriters' Hand-Book of Illinois for 1935. Mr. Tobias is of course still with the Hartford as he has been for many years.

Pearson Is Indiana Secretary

John D. Pearson, special agent of the North America in Indiana, has been elected secretary-treasurer of the Indiana Fire Prevention Association, succeeding E. R. Hubbell, who resigned because of his transfer to Michigan, where he will be state agent for the Royal-Liverpool group for a section of counties in the central part of the state. President C. R. Watkins of the association states that a number of towns are being lined up for inspection during 1936.

Goodfellow with Boston

S. E. Goodfellow, superintendent of the survey department of the Royal in Ohio is resigning to go with the Boston's new survey department. He will be located at 900 Hartman building, Columbus, O.

Ohio Meeting Jan. 6

The Ohio Blue Goose will hold a business meeting and initiation at the Columbus Athletic Club, Columbus, on Jan. 6, preceding the meeting of the field clubs the following day. It is expected that the organization of a puddle in Cleveland will be taken up at this time.

Field Notes

The Oklahoma Blue Goose held a Christmas party the evening of Dec. 27 attended by some 300 members and their ladies. Dancing and cards followed the dinner.

The Utah-Idaho Blue Goose held its annual Christmas dinner dance at Salt Lake City. It was a successful affair all through. H. R. Breshears is most loyal gander.

File Massachusetts Bills

Bills filed for consideration by the next Massachusetts legislature provide for an investigation by a special recess commission of casualty and liability insurance companies. Another would compel companies to insure a complainant for property damage, extra-territorial or guest coverage after the state board of appeal on compulsory motor vehicle insurance had ordered the company to provide the complainant with compulsory liability coverage. Another bill would create a rating and control board on motor vehicle liability insurance, which would also take over the work of the appeal board.

33 Cent Per Capita Loss

The 1935 fire loss at Rockford, Ill., 33 cents per capita, was the lowest since 1918, Fire Chief Blake reported. The total loss of \$29,000 is \$1,000 less than in 1888 when the fire department began to maintain records.

Pamunkey Indians Get Souvenir Tribe History

MILWAUKEE, Dec. 31.—A souvenir reprint of an historical sketch of the original Virginia Pamunkey Indians, written by ex-Governor Pollard of Virginia, has been prepared under the direction of Clarence C. Klocksins, scribe of the Pamunkey Tribe of Real Indians organized at Richmond in 1916. At the recent meeting of the chief's council of the order during the insurance commissioners' meeting in New York, it was decided to prepare the reprint and send a copy to each member. The history was obtained by Col. Joseph Button, big chief, from the Smithsonian Institute. Scribe Klocksins is having copies mailed to members and has requested that any member not receiving his pamphlet should notify him at the

Northwestern Mutual Life, Milwaukee, where he is legislative counsel.

Texas Meeting May 22-23

DALLAS, Dec. 31.—The annual meeting of the Texas Association of Insurance Agents will be held in Fort Worth, May 22-23, the officers and executive board decided. The association pledged cooperation with local associations in a campaign to increase membership.

Awarded \$2,057,000 Contract

Contract for \$2,057,000 insurance on three viaducts in Richmond has been awarded the Northwestern Mutual Fire with approval of the RFC, which has an interest in these bridges because federal funds were used in each project. Bids were submitted by 15 stock companies and two mutuals including the Northwestern, which submitted the lowest bid.

HAVE YOU SEEN.?

. . . the new booklet on bank financing of automobile purchases called "A Profitable Thought, Mr. Banker"? This plan will bring automobile premiums to your office in important volume.

Long ago we realized that automobile buyers get more satisfactory service if their automobile insurance is all written by their own local insurance agents. Study of the subject convinced us that buyers will get far better financing service by borrowing directly from their local banks. So we put the results of our discussion and study of automobile financing into a booklet for bankers. It gives a practical, profitable, eminently safe and sound way for commercial banks to write the individual automobile paper.

Set forth in this booklet, in a conversation between a typical agent and a typical commercial banker, is a message you should deliver personally to your banker. You and he will both profit from it. Send for your free copy today.

The
LONDON ASSURANCE

The
MANHATTAN

Fire and Marine Insurance Company

The
UNION FIRE

Accident and General Insurance Company

99 John Street

New York

EDITORIAL COMMENT

Are Insurance Agents Employees?

THE DOGMATIC assertion that "insurance salesmen are employees" and hence subject to the provisions of the unemployment insurance act comes as something of a surprise from the DISTRICT OF COLUMBIA UNEMPLOYMENT COMPENSATION BOARD, as that body had appeared rather sympathetic to the plea that agents on commission are independent contractors.

However, by its statement that it intends to decide borderline cases so that the term "employment" shall cover the greatest possible number of employees, the board goes on record as being less of an impartial tribunal than those ap-

pealing to it may have believed. Perhaps the board is to be admired for its frankness in intimating that it is going to fasten the "employee" tag on as many workers as possible. At the same time, this is the attitude of an advocate rather than a judge and too much significance should not be attached to a decision based on such premises. Possibly the board will grant exemption to companies individually rather than by a blanket order. In any event, the final decision is up to the courts and the companies' case appears to be as strong as it ever was.

Shift Seen in Loss Trends

AN INTERESTING feature is brought out by observers as to the course along which fire losses are following. Fire defense in cities has been augmented and made more efficient. Fire prevention campaigns have had an effect. People are becoming fire prevention conscious, especially in the congested areas. Fire departments have been strengthened, building construction has improved, there is more rigid inspection, and altogether the situation in urban centers is greatly enhanced from a fire loss standpoint.

On the other hand, the fire loss ratio

in the rural sections and agricultural areas has not shown the same amount of improvement. Attention has been called by authorities to the fact that the major part of the fire loss is not coming from the cities but from the unprotected areas. Therefore it would seem that fire protectionists can well shift their work to farms and small unprotected villages. Certainly the work that has been done in the cities has had a genuine result. Now if similar effort is directed toward the great open spaces there will be improvement in the unprotected sectors.

Virtues in Anniversaries

VERY often in THE NATIONAL UNDERWRITER appear accounts of anniversary occasions of not only companies but of officials, general agents or managers, field men and agents on the firing line. At times some may question the news value of featuring these occasions. We are pleased to record these mileposts and tell something about the people who have traveled so far along the way. It is a tribute to any business when people stick by it, appreciate its opportunities, see in it a chance to render service

and also a medium for not only making a living but for providing some of the luxuries and comforts of life. When an institution, for example, passes its 25th anniversary, its roots have become pretty well grounded. When a person has remained with the business that long and even longer, it reveals to other men younger in the line the fact that here is an endeavor that is attractive, holds people to it, that has in it a varied outlook and presents the opportunity for constructive work.

Handling of Political Business

POLITICAL insurance business, so called, is rather treacherous and uncertain. It is given out according to political preference to those having an inside track who also will be able to swing some of the commissions as contributions to the party exchequer. In the long run this business is not a stable account and where agents depend on it to maintain a record or satisfy their companies they find themselves in an embarrassing position when the honors are shifted and someone else gets the patronage. Many agents count this political business as a

sort of side issue and do not take it into consideration in making up their yearly returns. While our government system exists there will always be this political preferment and plums will be handed out, not according to merit but according to political expediency.

An interesting experiment is reported from Philadelphia where Mayor-Elect WILSON announces that he will change the plan of distributing contract and other bonds and will divorce it completely from politics. He states that the bonds will be distributed in alphabetical

order to companies on the list and the payment of commissions is left to the companies, the proviso of course being made that agents or brokers must be regularly licensed. This, of course, is a non-partisan method of handling the business without any particular favoritism. Whether the plan will stand the

onslaught of those in power that desire to use bonds and insurance as a means of paying off political debts or as a method of securing funds for party purposes remains to be seen. As a "noble experiment," however, it is well worth trying and it will be watched with interest.

Casualty and Surety Progress

THE year has been an excellent one for the casualty and surety companies. The well managed institutions have made more money than they did a year ago. They have had difficulties, had many problems before them but by adhering closely to basic principles, sound economic and underwriting rules they have been able to emerge with great credit. Now some of them are pushing out and

extending their lines. There is a demand, for example, for well trained, resourceful field men. Evidently some companies believe that now is the time to do constructive building and hence are laying plans to increase their activities. This means the appointment of new agents and also stimulating those already on the list. It is a time of great opportunity for energetic producers.

PERSONAL SIDE OF BUSINESS

John T. Owsley, local agent at Chickasaw, Okla., is rounding out 25 years of service in that city as a local agent. During this time he has bound his companies for millions of liability and yet no claim has originated that had to be carried into court. Mr. Owsley is one of the leading local agents of the state.

Sam W. Atkinson, veteran Kansas state agent for the Phoenix of Hartford group is reported improved from illness which confined him to a Kansas City hospital for several weeks and has been removed to his home in Lawrence but several weeks more will be required to complete his recovery.

Decorah, Ia., has just discovered it was headquarters for an insurance company at one time, but to date not one citizen has been discovered who can remember such a company. A policy has just been found written by the Mississippi Valley Insurance Company of Decorah, dated May 12, 1866 and carrying the signatures of E. R. Quimby, president and W. H. Howard, secretary.

The policy was written for Ole Helgeson of Madison township, Winnechick county, against loss by fire and lightning for \$500, and was written for a five-year term, with premium for the five years, \$10. Attached to the policy is a 10-cent U. S. internal revenue stamp. The policy was sold by Ole H. Oleson, agent.

James B. Ross, vice-president of the Godchaux & Mayer general agency of New Orleans was tendered a surprise luncheon by agency officials and Harold P. Mayer, president, on his seventieth birthday. Mr. Ross entered the business in Mississippi when a youth and later established an agency in Jackson.

Joseph A. Geyer, 63, president of the Geyer & Hamilton Agency at Syracuse, N. Y., died suddenly of heart disease at his home. He was a native of Rochester, but had lived in Syracuse 40 years.

Lloyd H. Schultz, secretary of E. K. Schultz & Co., Philadelphia, and son of E. K. Schultz, the president and founder, died after extended illness. He was in naval aviation during the war, afterward going with the Schultz agency.

Schultz & Co. has represented the Millers National for 40 years, operations covering eight states. President H. M. Giles of the Millers National, F. H. Hawley, president Ohio Farmers, R. E. Curran, president Inter-Ocean Reinsurance, R. A. Corroon, Jr., and E. S. Inglis, Corroon & Reynolds, Special Agents Wakeman, Richardson, McVaugh, and Van Iderstine, and many local agents from the New England states, New York, New Jersey and Pennsylvania attended the funeral services.

The **Johnson Realty Company** of Falls City, Neb., has an impressive window display in its office, showing a bridge over a stream under the caption "Our insurance bridges the gap." On one side is a dwelling house and automobile intact, and the other a dwelling badly burned and an automobile overturned.

W. A. Rutledge of Des Moines, who claims the unique distinction of holding down one job in a mutual longer than any other person in the mutual end of the business, has been secretary-manager of the Farmers Mutual Hail of Iowa since March 4, 1893, the day Grover Cleveland was inaugurated president of the United States.

At a banquet held in Hamilton, Ont., H. B. Carson, secretary **Mill Owners Mutual Fire**, Des Moines, presented five-year service awards to the following members of the Canadian head office force: J. W. Watters, assistant manager; G. T. Dewar, T. P. Sheffield, Celestine T. Connor, Mildred F. Adams, Lillian M. Bedwell, Violet O. Shaver, Pearl H. McLaughlin, Mary E. Smale, Myrtle A. Kett, and Helen M. Veale. I. E. Sams, manager Canadian head office, presided.

Paul C. Yankey of Wichita, Kan., on Jan. 1 rounds out 25 years of service as an agent in that city. On Jan. 1, 1911, he became a partner with E. W. Ingram and conducted the agency of Ingram-Yankey Company, this partnership existing until July 1, 1916, when Mr. Yankey purchased the Ingram interest. He then consolidated his agency with another, the firm being Dulaney, Johnston



THE NATIONAL UNDERWRITER PUBLISHED EVERY THURSDAY

Published by THE NATIONAL UNDERWRITER CO., Chicago, Cincinnati, New York. PUBLICATION OFFICE, 175 W. Jackson Blvd., CHICAGO. Wabash 2704.

E. J. WOHLGEMUTH, President
LEVERING CARTWRIGHT, Asst. Man. Editor

C. M. CARTWRIGHT, Managing Editor
Associate Editors: F. A. Post, C. D. SPENCER, D. R. SCHILLING

H. J. BURRIDGE, Vice-Pres.-Gen. Mgr.
Associate Managers: W. A. SCANLON, G. C. ROEDING, O. E. SCHWARTZ

JOHN F. WOHLGEMUTH, Secretary
PHILADELPHIA OFFICE—1127 Edgely-Philadelphia Bldg., Tel. Pen. 3706. W. J. Smyth, Res. Mgr.

CINCINNATI OFFICE—420 E. Fourth St., Tel. Parkway 2140. Louis H. Martin, Mgr.; Curtis C. Crocker, Vice president.

HARTFORD OFFICE—Room 502, 18 Asylum St., Telephone 7-1227. R. E. Richman, V. P.

DES MOINES OFFICE—427 Insurance Exchange, Tel. 4417. R. J. Chapman, Res. Mgr.

NEW YORK OFFICE—1200-123 William St., Tel. Beekman 3-3958. Editorial Dept.—G. A. Watson, Assoc. Ed., R. B. Mitchell, Asst. Ed. Business Dept.—N. V. Paul, Vice-Pres.; W. A. Spiker and J. T. Curtin, Resident Managers.

DALLAS OFFICE—1218 Kirby Bldg., Tel. 2-4491. Fred B. Humphrey, Res. Mgr.

SAN FRANCISCO OFFICE—507-S-9 Flatiron Bldg., Tel. KEarny 3054. F. W. Bland, Res. Mgr.; Miss A. V. Bowyer, Pacific Coast Editor.

DETROIT OFFICE—1015 Transportation Bldg., Tel. Randolph 3994. A. J. Edwards, Res. Mgr.

ATLANTA, GA. OFFICE—204 Atlanta National Bank Bldg., Tel. Walnut 2652. Walter M. Christensen, Res. Mgr.

Subscription Price \$4.00 a year; in Canada \$5.00 a year. Single Copies, 20 cents. In Combination with Life Insurance Edition, \$5.50 a year; Canada, \$7.50. Entered as Second-class Matter April 25, 1931, at Post Office at Chicago, Ill., Under Act March 3, 1879.

& Yankey. After Frank T. Priest returned from the war he became a partner and the firm name was changed to Dulaney, Johnston & Priest. In July, 1933, Mr. Yankey established his own agency as the Paul C. Yankey Company, he being the sole operator. He specializes largely on casualty insurance and surety bonds. He went to Wichita in September, 1910, and previous to that was connected with banks in smaller cities in Wisconsin. In that capacity he wrote insurance.

Mrs. C. D. Lasher, wife of the general manager of the Home group, is in San Francisco, for the holidays, when she joined her husband, who was dispatched to its Pacific department office some weeks ago for special service. He will continue there for some time yet.

J. D. DeBuchanne, who is organizing the Pan-American Casualty of Miami, was formerly head of the Mississippi Valley Life at St. Louis. He purchased the old Kaskasbia Live Stock of Shelbyville, Ill., and changed it into a life company. He took over the Providers Life of Chicago and the old Western Life Indemnity of Chicago, merging them into the Mississippi Valley Life. The Mississippi Valley Life finally went into the hands of a receiver and its remains were taken over by the Detroit Life, which is now in the receiver's hands.

C. R. DeMille, vice-president and secretary of the C. B. DeMille general agency of Seattle, returned from a visit to Dallas, where he conferred with officials of the Trinity Universal, which his agency represents.

Thomas E. Gallagher of the Union League Club of Chicago, formerly western manager of the Aetna Fire, cracked his hip bone in Good Samaritan Hospital in Cincinnati where he was taken a week ago. He was attempting to cross the floor without the help of a nurse and fell. He has had to pass through a painful ordeal following the accident. He is now in a weakened condition.

J. M. Cook, secretary of the Mansfield Mutual Fire of Mansfield, O., has been laid up in the Columbus Hospital there for several weeks where he underwent an operation. He is making a rapid recovery and will soon be able to return home. Mr. Cook is well known in fire insurance circles having been secretary of the Mansfield Mutual for many years.

William A. Scott, age 72, deputy insurance commissioner of North Carolina for the past 31 years, died at his home in Greensboro of heart disease. Captain Scott served for several years as chief of police of Greensboro prior to his appointment as deputy commissioner in 1904. He is survived by his widow.

REJECTED RISKS

A fire prevention award for a dog that saved one of his assured's homes is being sought by R. P. De Van, Charleston, W. Va., local agent and past president of the National Association of Insurance Agents. Mr. De Van's assured occupied a large residence with a hot water heating system regulated by a thermostat. The thermostat got stuck, the furnace became overheated and almost set fire to the house in the middle of the night. The assured's dog sensed the danger, went into his master's room, climbed on his bed and woke him up in time to check the impending fire. Mr. De Van feels that the dog should be given recognition for such a heroic deed.

A claim man in making his report on a case dictated to his stenographer that the policyholder had a stroke. She transcribed the event as his having a "stork."

ANSWERS

By J. C. O'Connor, Editor
National Underwriter's F. C. & S. Bulletins

Question: Could you inform us what casualty company covers malicious mischief such as painting job being ruined by the throwing of acid?

Any fire insurance company belonging to the Explosion Conference (this includes all the leading carriers) can cover the hazard of malicious damage by the vandalism endorsement to the riot and civil commotion policy. This endorsement extends the riot policy to include any kind of unlawful physical damage to the insured property, whether caused by a riot in its technical sense or not. It is written only with a \$500 deductible, at an additional premium varying from 10 cents to \$1.50, with 50 percent coinsurance. Rates are based on the character of the assured's business and not upon his fire hazards. There are a few states in which the vandalism endorsement may not be used, because the state laws will not permit the fire company to assume this hazard. Most of these states, New York for example, have revised or are revising their insurance statutes to permit this. Rules and rates for the vandalism endorsement are found on pages 42 to 49 inclusive of the explosion manual.

Question—What is meant by the retrospective system of rating as applied to workmen's compensation insurance?

Answer—Retrospective rating in workmen's compensation differs from the so-called experience rating in that any refund is made after the experience on a risk is completed at the end of its year. For example, a maximum premium is agreed upon, usually the manual, and a minimum. If the experience of the risk shows that it is entitled to a refund down to a minimum, that is done. According to the present system the experience is projected into the future. The reason the retrospective plan has not been popular is largely due to the fact that in its application to large premium risks it seems necessary to cut acquisition cost which means a reduction in commissions.

Question: Explain "general average" and "particular average," as used in cargo policies?

Answer: Contrary to other insurance usage, "average" in marine insurance means loss, usually partial loss. General average refers to a voluntary sacrifice to avert a common peril, such as jettisoning part of the cargo to lighten the ship. All interests involved, owner, charterer, shippers, or their insurers, share ratably in such losses.

A particular average loss is one which affects only one or more interests and is not attributable to a sacrifice occasioned by a common peril. Washing of part of the cargo overboard is a good example of this. Most cargo policies do not pay particular average losses unless they exceed a certain percentage of the value of the insured shipment, the percentage varying with the type of goods and the premium paid. Policies of this type are usually denominated F. P. A. (Free of particular average).

There are two types of F. P. A. clauses. American conditions (F. P. A. A. C.) recite "free of particular average unless caused by stranding, sinking, burning or collision with another vessel." English conditions (F. P. A. E. C.) read "free of particular average unless the vessel be stranded, sunk, burnt or in collision." Under the English clause, which is usually demanded by brokers, the company becomes liable for particular average losses occurring after any designated disaster, even though not caused thereby.

Policies are occasionally issued providing for coverage against total loss only. In that case the designation F. A. A. (free of all average) is used.

INCORPORATED 1799

PROVIDENCE WASHINGTON INSURANCE CO.

of Providence, R. I.

Capital \$3,000,000

INCORPORATED 1928

ANCHOR INSURANCE CO.

Providence, R. I.

Organized and Owned by the Providence Washington Insurance Co.

Capital \$1,000,000

Each of these Companies writes the following classes of Insurance

FIRE—TORNADO—OCEAN and INLAND MARINE
AND THEIR ALLIED LINES

AUTOMOBILE—FIRE, THEFT and COLLISION

COMBINED POLICIES

AUTOMOBILE—FULL COVERAGE

GOLFERS' EQUIPMENT and LIABILITY

WITH

MARYLAND CASUALTY CO.

WESTERN DEPARTMENT: 175 W. Jackson Blvd., CHICAGO, J. R. Casbal, Mgr.

NEW YORK UNDERWRITERS INSURANCE COMPANY

CAPITAL \$2,000,000

A. & J. H. STODDART, General Agents

90 John Street - - - - - New York City

FIRE - AUTOMOBILE - WINDSTORM
BUSINESS INTERRUPTION INDEMNITY

PREMIUM FINANCING

Practically all forms of insurance, except life.

Nation wide service.

Write us.

Metropolitan Foundation
of America, Inc.

A-1046 Insurance Exchange, Chicago

WABash 1393

WHEN answering advertisements in this paper will you kindly mention that you "saw your ad in THE NATIONAL UNDERWRITER"?

FIRE INSURANCE NEWS BY STATES

MIDDLE WESTERN STATES

Makes Report on Hamtramck

National Board Gives Some Facts on the Fire Fighting Facilities of the City

The National Board in reporting on Hamtramck, Mich., finds the losses for the last five years were \$671,707, the average loss per fire \$343 and the average per capita loss \$2.63.

The engineers say that the water supply is mainly adequate and reliable. The fire department is fairly well equipped but untrained and somewhat undermanned. Powerful outside aid is readily available from Detroit. The fire alarm system is of good type and of adequate capacity but with some unreliable features.

In the principal mercantile district, the prevailing low heights, small areas and good accessibility reduce the probability of spreading fires. The fire fighting facilities, while having some deficiencies, are fairly strong so that fires should be confined to the building or small group of origin. In the manufacturing and minor mercantile districts the hazard is local.

Boosting Minnesota Membership

ST. PAUL, MINN., Dec. 31.—With his goal 500 members, E. A. Stovik, chairman of the membership committee of the Minnesota Association of Insurance Agents, has called on every member to lend a hand. The Minnesota association now has a membership of 429.

Meeting at Muskegon

MUSKEGON, MICH., Dec. 31.—James M. Crosby, Jr., head of the Grand Rapids Board and a vice-president of the Michigan Association of Insurance Agents, addressed a meeting sponsored by the Muskegon Association of Insurance Agents and attended by agents from Muskegon, Spring Lake, and Grand Haven. Other speakers were active association workers, including G. C. Chaddock, Fred L. Winter, and Martin Mullally, all of Muskegon.

Study Adjuster Problem

The Ohio Association of Insurance Agents has turned over to the Ohio State Bar Association all the data it has gathered on the subject of licensing insurance adjusters and will assist it in framing a proposed law on this subject. The bar association is now considering a recodification of the insurance laws of the state. The Ohio Association of Insurance Agents seeks to put an end to the "ambulance chasing" adjusters, at the same time not interfering with legitimate adjusters and attorneys. How to draft a law that will put the chasers out of the business and not affect the others is a problem which the insurance agents and members of the bar will try to work out.

Joins New Agency

C. R. Dysant, who was recently appointed home office supervisor for the Central Life of Des Moines in Michigan, has joined S. A. Laitner, proprietor of the Laitner Agency, to form Dysant, Laitner & Thomas, a local agency in Detroit. Mr. Dysant is an experienced life underwriter, having been associated with Weston & Weston, general agents of the Central Life, for some time and Mr. Laitner is experienced in the fire and casualty lines. The new agency is located at 1820 David Stott building.

Report on Three Ohio Cities

National Fire Protection Association Tells About Cincinnati, Columbus and Dayton Conditions

National Fire Protection Association engineers who recently visited Cincinnati find the conditions generally satisfactory. An active fire prevention campaign by the fire department with the cooperation of the fire prevention committee of the chamber of commerce is producing good results. The low fire loss record has been further reduced. The program for gradual replacement of obsolete fire apparatus has been continued with the purchase of five new pieces during the year. An ordinance is before the city council to prohibit the sale and use of fireworks.

At Columbus, the engineers report gratifying progress. A course of fire prevention in public schools has been authorized. An ordinance requiring fire safety measures in theaters and public buildings has been put into effect. The fire prevention bureau of the fire department has been reorganized with an addition of six new inspectors and a fire hazard inspection of many dwellings in the city has been completed.

While the fire record at Dayton, O., has been favorable, the fire department has lacked adequate financial support. Three engine companies have been withdrawn from service.

New Detroit Agencies

Three new general insurance agencies have been opened in metropolitan Detroit. L. A. Walden & Co., 603 New Center building, is operated by L. A. Walden and Andrew Cadger. The Watson Insurance Agency has been opened at 727 St. Antoine street by E. I. Watson and A. B. Chenault and C. P. Hornauer has established the Trenton Agency in Trenton.

Talked on Supplemental Plan

KANSAS CITY, Dec. 31.—J. O. Gill, manager of the Missouri Inspection Bureau, opened the insurance conference plan of the Associated Industries of Missouri, recently inaugurated, with a talk on the new supplemental coverage contract. Approximately 54 manufacturers attended discussing supplemental coverages and asking questions of Mr. Gill, following the talk.

Overholt Is Wichita President

E. C. Overholt of the Overholt-Devore Agency has been elected president of the Wichita Insurance Board of Fire & Casualty Underwriters, an organization of Wichita agents not affiliated with the Wichita Insurers, which is the body affiliated with the Kansas and national agents' associations. The new association, organized some two years ago, has announced a drive to reduce automobile traffic accidents in Wichita and Sedgwick county and has appointed a committee of John R. Rhodes of the Wichita Insurance Agency, D. Gail Smith of the Smith & Sugden Agency and Mr. Overholt to work out details.

Wichita Agencies Combine

The Chapell-Hall Company, a consolidation of the Byron S. Chapell and Standish Hall agencies at Wichita has been announced. Byron Chapell, vice-president and chairman of the executive committee of the Wichita Insurers who has operated independently since November, 1929, joins Standish Hall, prominent in Wichita financial circles,

who has only recently entered the agency ranks and affiliated with the Wichita Insurers. Offices will be on the ground floor of the Beacon Building, the present offices of Mr. Hall.

Paul Olinger Office Manager

Paul Olinger, Cherokee, Ia., who has been traveling interviewer for the national reemployment service in two Iowa counties, has resigned to become policy examiner and office manager of the Phoenix of Hartford Des Moines office.

Agency Distributes Bonus

The H. H. Woodsmall Agency of Indianapolis reports a very good experience in 1935. A bonus was distributed to employees based on the number of years of service. Five of the employees

have been connected with the agency for periods ranging from 10 to 20 years.

Milwaukee Board to Dine

The Milwaukee Board will hold a dinner meeting at Hotel Schroeder Jan. 8, according to J. G. Grundle, executive secretary. The annual meeting of the Fire Insurance Patrol will be held at the same time.

Ohio Mutuals to Meet

The Ohio Mutual Tornado, Cyclone & Windstorm Insurance Association and the Federation of Mutual Insurance Associations of Ohio will hold their annual conventions in Columbus Feb. 17-21. About 400 are expected to attend.

MOTOR INSURANCE NEWS

Institution Is Now Revamped

Iroquois Auto Insurance Underwriters of Danville Had More Money Put Into Surplus

The Iroquois Underwriters, Inc., at Danville, Ill., attorney in fact for the Iroquois Auto Insurance Underwriters, has been reorganized and recapitalized. New money has been put in the company. The directorate has been enlarged and new officers elected. Charles A. Lenz, who has been the active manager, is president; J. A. Walker is vice-president and Otto A. Huber, secretary and treasurer, who becomes general manager and who will be the guiding star of the organization. Mr. Lenz and Mr. Miller will spend most of their time on the road developing agencies in Illinois and Indiana. They are well known organizers. Mr. Huber has been a resident of Danville for 16 years. He was employed as an auditor for the state of Illinois for four years and for the federal government 12 years. For 10 years he was in Danville as division chief in the internal revenue office. For the past six years he has been manager for the Danville Securities Corporation and the Danville Mortgage Company.

Directors Are Chosen

The directors of the incorporated attorney-in-fact are: Alphonse Meis, president Meis Bros. Department Store and Meis Furniture Co.; F. J. Tyson, capitalist and president Fidelity Loan Company; F. W. Butterworth, president and general manager Western Brick Company; J. A. Walker, president Illinois Motor Security Company; B. C. English, president First National Bank; H. C. Horneman, president Sugar Creek Creamery Company; R. H. Moore, president R. H. Moore & Co., investment bankers; W. T. Gunn, senior attorney Gunn, Penwell & Lindley; C. A. Lenz, president Iroquois Underwriters.

The Iroquois Auto Insurance Underwriters is an interinsurance company writing automobile insurance. It was established in 1919 and moved to Dan-

ville in 1924. The annual premiums amount to \$300,000. It states that it has 500 agents in the two states. Its premiums since organization were \$3,192,502 and losses \$1,149,455.

Discussed Comprehensive Policy

L. A. Magill, assistant manager of the Kansas Inspection Bureau discussed the new comprehensive automobile policy recently filed in Kansas before the Topeka Association of Fire & Casualty Underwriters.

Auto Finance Volume Up

WASHINGTON, D. C., Dec. 31.—The dollar volume of retail financing of new passenger autos showed an increase of 83 percent for November as compared with the same month last year, according to the Department of Commerce report. As compared with October, there was an increase of 55 percent.

The aggregate volume for the first 11 months of this year was 20 percent above that for the same period in 1934.

Auto Finance Taken Up

SEATTLE, Dec. 31.—The King County Insurance Association has completed a program in cooperation with Seattle banks which will enable member agencies to secure finance facilities for clients purchasing new automobiles. All of the leading banks have agreed to extend credit to responsible clients desiring to purchase new cars on the installment plan. Rates of interest enable the agents to use the facilities in competition with national finance organizations.

State Auto of Ohio Meet

Representatives from eight states will attend a meeting of the State Automobile Mutual in Columbus Jan. 10-11. A gain of 23 percent in sales is reported by Robert Pein, general manager.

The Flint, Mich., junior chamber of commerce is launching a continuous fire prevention campaign to be modeled after the most successful drive conducted in Grand Rapids over a period of years. A definite schedule for the entire year is to be mapped following intensive study of Grand Rapids methods by a committee from the local organization.

Automobile Industry for 1935

Cars and trucks produced in U. S. and Canada.....	4,150,000	Motor vehicles, accessories, service equipment and replacements of parts and tires.....	\$2,999,500,000
Passenger cars.....	3,400,000	Gasoline consumption, retail value including taxes....	\$3,260,000,000
Motor trucks.....	750,000	Motor vehicles registered in U. S.....	26,000,000
Production, percentage increase over 1934.....	45%	Motor cars.....	22,450,000
Wholesale value of cars....	\$1,797,800,000	Motor trucks.....	3,550,000
Wholesale value of trucks..	\$388,700,000	Passenger cars on farms....	4,134,675
Average factory price of cars.....	\$705	Motor trucks on farms.....	900,385
Average factory price of trucks.....	\$691	Motor buses owned.....	116,500
Number of tires shipped....	50,000,000		

INSURANCE ATTORNEYS

■ The Insurance law firms whose professional cards are shown on this and the succeeding pages have been selected after careful investigation. They have the recommendation and endorsement of The National Underwriter.

ALABAMA

**BRADLEY, BALDWIN,
ALL & WHITE**
21st Floor Comer Building
Birmingham, Alabama

**LAW OFFICES OF
Coleman, Spain, Stewart
& Davies**
706 to 719 Massey Building
Insurance Attorney
Birmingham, Alabama

HENRY C. MEADER
First National Bank Bldg.
Montgomery, Ala.
Equipped for Investigations and Adjustments,
Settlement of Claims, Trial of all Insurance
Cases in State and Federal Courts in Central
and Southern Alabama.

ARKANSAS

WARNER & WARNER
Merchants Bank Bldg.
Fort Smith, Arkansas
Representing U. S. F. & G. Co.; Standard Acc.
Ins. Co.; American Surety Co.; Continental Cas-
ualty Co.
Equipped for investigations, adjustments and settle-
ment of all claims. Trial of all cases in State and
Federal courts in western Arkansas.

**COCKRILL, ARMISTEAD
& RECTOR**
Southern Building
Little Rock, Ark.
Representing the Travelers Ins. Co., Employers
Group, Boston, Continental Cas. Co., Chicago.
Equipped for investigations, adjustments and settle-
ment of all claims. Trial of all cases in State and
Federal Courts

ARIZONA

Sloan, McKesson & Scott
Phoenix, Arizona
Representing Globe Indemnity Co., Royal Ind. Co.,
Eagle Ind. Co., Hartford Acc. & Ind. Co., Fire
Companies' Adjustment Bureau, Inc.
Trial all line of insurance cases State and Federal
Courts.

Francis D. Crable
Suite 17, Union Block
Prescott, Arizona
Representing New York Casualty Co., Travelers, and
others.
Trial of cases in State and Federal Courts.
Equipped for investigations, adjustments and settle-
ments of all insurance claims.

FREDERIC G. NAVE
512 Valley National Bldg.
Tucson, Arizona
Aetna Group, American Auto., Connecticut
Indemnity, Fidelity & Casualty, The Massa-
chusetts Bonding, The Travelers and other
leading companies.
General Insurance Practice

CALIFORNIA

**EVERTS, EWING, WILD &
EVERTS**
801 Griffith-McKenzie Bldg.
Fresno, Cal.
Equipped for Investigation, Adjustments,
Trials and Settlement of all Claims.

CALIFORNIA (Cont.)

**CLOCK, McWHINNEY &
CLOCK**
Counsel for many Insurance Companies
OFFICES
1012 Citizens Natl. Bank—430 Jergins Trust
Los Angeles Long Beach

Irving E. Read
910-742 S. Hill St.
Los Angeles, California
Specializing in Trial Work. Claims referred
to competent adjusters. Member of Chicago
Bar from 1912 to 1929.

Preston D. Richards
650 South Spring Street
Los Angeles, California
Former General Counsel Union Automobile
Insurance Company.
Trial of all Insurance Cases in State and
Federal Courts.

Attorneys—Adjusters
WILLETT & WILLETT
629-824 W. M. Garland Bldg.
Los Angeles, California
Equipped for immediate attention to claim ad-
justments and insurance litigations. Thirty
years experience. Members California State
Bar.

T. B. SCOTT
Suite 217, Beaty Bldg.
Modesto, Cal.
Insurance Litigation in all lines. Fire, Cas-
ualty and Surety.

ERROL C. GILKEY
1203-1207 Central Bank Bldg.
Oakland, California
Equipped for adjustment, investigation and
settlement of insurance cases, also trial
of cases.

**BUTLER, VAN DYKE
& HARRIS**
604 Capital National Bank Bldg.
Sacramento, Calif.

STICKNEY & STICKNEY
1111 First National Bank Building
San Diego, California
Equipped for adjustments, investigations and
trial of all cases.

**HADSELL, SWEET, INGALLS
& LAMB**
Financial Center Building
San Francisco, California
Insurance defense—Fire, Life, Casualty and
Surety lines.

CALIFORNIA (Cont.)

KEYES & ERSKINE
Herbert W. Erskine William A. White
Morse Erskine J. Benton Tulley
625 Market Street
San Francisco, California
General Counsel Pacific National Fire Ins.
Co. Trial of insurance cases in State and
Federal courts.

REA, FREE & JACKA
804 Commercial Building
San Jose, California
Representing Fidelity & Cas. of N. Y.
London & Lancashire
Trial of all insurance cases in state and fed-
eral courts in this district. Equipped for in-
vestigations, adjustments and settlement of
all claims.

C. DOUGLAS SMITH
126 West Main Street
Santa Maria, California
Representing Aetna, Maryland, Employers,
Fireman's Fund, London & Lancashire and
others. Trial of Cases and Claims service in
Santa Barbara and San Luis Obispo Counties.

HERBERT C. COBLENTZ
411-412 California Building
Stockton, California
Equipped for immediate action on Insurance Invest-
igations, adjustments and settlements, and for handling
Insurance litigation.

COLORADO

JANUARY & YEGGE
517 Symes Building
Denver, Colorado
Representing Continental Casualty Co., West-
ern Casualty & Surety Co. Equipped for in-
vestigation, adjustments and trial of all
insurance cases.

CONNECTICUT

**BUTLER, HOWARD &
CAMPBELL**
75 Pearl St.
Hartford, Conn.
Representing Fireman's Fund of San Francisco,
United States Guarantee and others.
Equipped to handle investigations and settle claims.
Trial of all insurance cases in Federal and State
courts.

DIST. OF COLUMBIA

HUGH M. FRAMPTON
327 Southern Building
Washington, D. C.
Manufacturers Casualty Ins. Co.
Trial of Cases

GEORGIA

**ALSTON, ALSTON, FOSTER
& MOISE**
1219 Citizens & Southern Natl. Bank Bldg.
Atlanta, Georgia
Equipped for investigations, adjustments, set-
tlement of claims, trial of all insurance cases
State and Federal courts, Western Georgia.

GEORGIA (Cont.)

**BRYAN, MIDDLEBROOKS &
CARTER**
LAW OFFICES
Suite 1030 Candler Building
Shepard Bryan John A. Dunaway
Grover Middlebrooks M. H. Meek
Chauncey Middlebrooks Yantis C. Mitchell
W. Colquhoun Carter
ATLANTA, GEORGIA

Hitch, Denmark & Lovett
17 Drayton Street
Savannah, Georgia
Representing American Surety Co. of N. Y., New
York Cas. Co., Continental Cas. Co., National Surety
Corp., and numerous others.
Equipped for investigations, adjustments, settlement
of claims, and trial of all insurance cases in State
and Federal Courts in Southern District of Georgia.

ILLINOIS

COCKFIELD & PETERSEN
Aurora National Bank Bldg.
Aurora, Ill.
Reference—State Farm, Bloomington, Ill.
Preferred Acct.—Continental Cas. & Others
Equipped for Investigations, Adjustments and
Trial of all Insurance Cases.

Dent, Weichelt & Hampton
1111 The Rookery Building
Chicago, Illinois
Special attention to the law relating to all
classes of Corporate Surety Bonds

Silber, Isaacs, Clausen & Woley
Attorney & Counselors
206 South La Salle Street
CHICAGO
Special Attention to the Law of
Fire Insurance and Taxation

**McMILLEN, McMILLEN &
GARMAN**
602 Millikin Bank Bldg.
Decatur, Illinois
Representing Ohio Casualty, Metropolitan Casualty,
Employers Liability and others.
Equipped for investigations, adjustments and trial
of all insurance cases.

ELMER H. BIELFELDT
Will County Bank Bldg.
Joliet, Illinois
Reference—Maryland Casualty
Equipped for Investigations, Adjustments
and Trial of all Insurance Cases.

CLARENCE W. HEYL
8th Floor Central National Bank Bldg.
Peoria, Illinois
Trial of Insurance cases; representing
MARYLAND, FIDELITY & CASUALTY,
ROYAL GLOBE, EAGLE, BANKERS
INDEMNITY AND OTHERS.

INDIANA

**WILDERMUTH & FORCE,
ATTORNEYS**
600 BROADWAY, GARY, IND.
Counsel for: U. S. F. & G., Ind. Ins. Co., Maryland
Cas. Co., New Amsterdam Cas. Co., American Mutual
Liab. Ins. Co., Norwich Union Ind. Co., Indianapolis
Life, LaFayette Life, Continental Casualty.
Insurance trial work including investigation and
adjustment of claims. Northern Indiana.

INSURANCE ATTORNEYS

■ The insurance law firm whose professional cards are shown on this and the succeeding pages have been selected after careful investigation. They have the recommendation and endorsement of The National Underwriter.

INDIANA (Cont.)

ROCAP & ROCAP

917-129 E. Market St.
Indianapolis, Ind.

Maryland Casualty Co., Indemnity Insurance Company of North America, Fireman's Fund Ind. Co.

Slymaker, Merrell & Locke
Attorneys specializing in All Phases of
Fire, Marine, Life & Casualty
Insurance Litigation
751-799 Consolidated Building
INDIANAPOLIS

IOWA

Smith & Swift

704-705 Kahl Building
Davenport, Iowa

Equipped for Investigations, Adjustments and Trial of Cases

Smith & O'Connor

600 Bank & Insurance Bldg.
Dubuque, Iowa

General Counsel Dubuque Fire & Marine Ins. Co. and National Reserve Insurance Co. Equipped for investigations and adjustments in Northeast Iowa.

Bryant & Bryant

619-22 Foresters Bldg.
Mason City, Iowa

Representing U. S. F. & G. Company, Loyalty Group and others. Trial of all insurance cases. Investigations, adjustments Northern Iowa.

Jepson, Struble and Sifford

725 Francis Building
Sioux City, Iowa

Representing Standard Accident, Continental Casualty & Maryland Casualty.
Equipped for investigations, adjustments, trial of all insurance cases in all courts in Northwestern Iowa.

KANSAS

Doran, Kline, Colmery, Cosgrove

906 National Bank of Topeka Bldg.
Topeka, Kansas

Equipped for investigation, adjustment, settlement and trial of insurance business of all kinds in Kansas.

KELLER, MALCOLM & BURNETT

204-206 National Bank Building
Pittsburg, Kansas

Counsel for: Aetna Group, Employers Group, Standard Accident, Central Surety, United States Fire, Fireman's Fund and others.
Specializing in Insurance Law. Equipped for Trial of Cases, Investigations and Adjustments over Southwestern Kansas.

BLOOD & PROSSER

402 Schweiler Building
Wichita, Kansas

General Counsel Santa Fe Trail System, Traders & General, American Fidelity and others. Investigations, adjustment of claims, and trial work Southern and Southwestern Kansas.

KENTUCKY

Davis, Boehl, Viser and Marcus
(Blakey, Davis and Lewis)
Kentucky Home Life Building
Louisville, Kentucky
Investigations, Adjustments and Trial of all Insurance Cases.

Woodward, Hamilton & Hobson
Insurance Attorneys
615-24 Inter-Southern Bldg.
Louisville, Kentucky

LOUISIANA

COBB & JONES

840 Canal Bank Building
New Orleans, La.

General Counsel for Pan-American Petroleum & Transport Company and Penick & Ford, Inc., in southern states. Specializing in casualty and surety. Trial of all cases in State and Federal courts.

MARYLAND

Law Offices
ROBERT H. McCAULEY
263-205 Second National Bank Bldg.
Hagerstown, Maryland

MASSACHUSETTS

THIBODEAU, YONT & MARTIN
Park Square Building, Boston, Mass.
Investigations, adjustments and trial of liability insurance cases in Eastern Massachusetts.

PHIPPS, DURGIN & COOK

75 Federal St.
Boston, Mass.

Representing Standard Accident, United States F. & G., London Guarantee & Acc. and others.
Investigations—Adjustments.

GURDON W. GORDON

Suite 539, 540, 541 Court Square Bldg.
Springfield, Mass.

GENERAL COUNSEL Monarch Acc. Ins. Co., Monarch Life Ins. Co.
Equipped for Investigations and Adjustments, trial of Insurance Cases in Federal & State Courts.

WILLIAM C. MELLISH

604-7 Slater Bldg.
Worcester, Mass.

Representing Globe Indemnity Co., New York, and others.
Investigations and Adjustments, trial of all Insurance cases in Federal and State Courts.

MICHIGAN

BEAUMONT, SMITH & HARRIS

2900 Union Guardian Building
Detroit, Michigan

MICH. (Cont.)

ARTHUR J. ABBOTT

6th Floor Buhl Bldg.
Detroit, Mich.

Specializing in Insurance Law—Trial of all Cases. State and Federal Courts. Member California Bar. Practiced Los Angeles 1912-1920.

SEABORG & RICE
Attorneys and Counselors
827 Penobscot Building
Detroit, Michigan
Randolph 5160

Mason, Alexander, McCaslin & Cholette
1107 Peoples National Bank Bldg.
Grand Rapids, Mich.
Maryland Casualty Co., Continental Cas. Co., New Amsterdam Cas. Co., Underwriters Adj. Co., etc. Trial of Cases and Adjustment of Claims.

ROSENBERG & PAINTER

801-6 Reynolds Bldg.
Jackson, Michigan

Represent: Zurich, London & Lancashire, Western & Southern, Provident Life & Accident, Michigan Mutual, Ohio Casualty, Citizens Mutual and others. Investigations and adjustments in central and southern Michigan.
Trial of all insurance cases.

Jackson, Fitzgerald & Dalm

603-5 Hanselman Building
Kalamazoo, Mich.

Zurich, Royal, Eagle, Auto Owners and others. Investigations and Adjustments for South Western Michigan.

ALFRED P. PIERSON

506 Bearinger Building
Saginaw, Michigan

MINNESOTA

SEXTON, MORDAUNT, KENNEDY & CARROLL
Adjusters and Investigations sent to any place in the Northwest
Pioneer Building, Security Bldg.,
St. Paul, Minn. Minneapolis

MISSISSIPPI

WELLS, WELLS AND LIPSCOMB

9th Floor Lamar Life Building
Jackson, Mississippi

Representing Hartford Acc. & Ind. Co., Fireman's Fund Ind. Co., Continental Cas. Co., Markel Service, Inc., Loyalty Group and many others on request. Equipped for investigations, adjustments, and trials all over state.

WILBOURN—MILLER & WILBOURN

Citizens National Bank Bldg.
Meridian, Mississippi
Equipped for investigations, adjustments, settlement of claims, trial of all insurance cases in State and Federal Courts in Eastern Mississippi.

MISSOURI

STRINGFELLOW & GARVEY

Donnell Court
St. Joseph, Missouri

Counsel for: Aetna Group; Standard Accident; Zurich; Globe, Royal and Great Am. Ind. Cos.; Lumbermen's Mut.; Liberty Mut.; General Accident; Preferred Accident; Am. Motorists; Farmers Auto. Inter-Ins. Exch.; Indemnity Ins. Co. of N. A.; T. H. Madden & Co.; Ohio Casualty Co.; National Casualty Co.; and more than 50 other companies.

MONTANA

BOLINGER & BOLINGER

Suite 1 & 2 Gallatin Block
Bozeman, Montana

Equipped for investigation, adjustments and trial of all insurance cases in state and federal courts in the south-central parts of Montana.

CORETTE & CORETTE

619-621 Hennessy Building
Butte, Montana

Representing American Surety Co., Fidelity & Deposit Co. of Md., New York Casualty and others. Equipped for investigation, adjustments and trial of insurance cases in all courts in Montana.

HOWARD TOOLE

507 Montana Building
Missoula, Montana

U. S. F. & G., Maryland Casualty Co., Fidelity & Casualty Co. of N. Y.
Equipped to handle investigations, adjustments, and trial of all insurance cases in state and Federal courts in entire Western Montana including Missoula, Powell, Granite, Saunders, Mineral, Ravalli and other counties.

NEBRASKA

Prince & Prince
The Commercial National Bank Building
Grand Island, Nebraska
Representing U. S. F. & G. & Employers.
Trial of cases in State and Federal Courts in Central Nebraska.
Equipped for investigations and adjustments.

OSCAR B. CLARK

1226 Sharp Building
Lincoln, Nebraska

Associated Indemnities Companies
Equipped for investigations and adjustments of claims in Nebraska and northern Kansas, trial of cases in all state and Federal courts.

GEORGE B. DENT, JR.
Tramp Building
North Platte, Nebraska
Representing Associated Indemnity Corp., Commercial Standard Ins. Co.
Investigations — Adjustments — Trial Work
Associate: Harold E. Day, Jr.

Rosewater, Mecham, Shackelford & Stoehr
1028-40 City National Bank Building
Omaha, Nebraska
Investigations — Adjustments — Trial work
Nebraska and Western Iowa.

NEVADA

Ayres, Gardiner & Pike
1st National Bank Building
Reno, Nevada
Representing American Surety, Standard Accident and several other companies.
Equipped to handle adjustments, investigations, settlement of claims all over Nevada.

NEW JERSEY

ANDREW J. WHINERY
744 Broad Street
Newark, New Jersey

WILLIAM L. RAE
1 Exchange Place
Jersey City, N. J.
Representing Exchange Mutual, Indemnity & Ins. Co.

INSURANCE ATTORNEYS

• The insurance law firms whose professional cards are shown on this and the preceding pages have been selected after careful investigation. They have the recommendation and endorsement of The National Underwriter

NEW MEXICO

RODEY & DICKASON

1st National Bank Building
Albuquerque, New Mexico

State counsel for various life, casualty and fire insurance companies. Trial of cases in all courts of New Mexico, State and Federal. Insurance client references given on request. Adequately equipped for adjustments and investigations.

WILSON & WATSON

Sena Plaza
Santa Fe, New Mexico

American Surety Co. of New York, Maryland Cas. Co. Trial of Cases in all courts of New Mexico, State and Federal.

Members of Firm: John C. Watson
Francis C. Wilson John T. Watson

NEW YORK

BOND, SCHOENECK & KING

1400 State Tower Building
Syracuse, New York

Counsel for many Insurance Companies
Equipped for Investigations and Adjustments in Syracuse and surrounding territory.

David F. Lee David Levene Daniel J. McAvoy

LEE, LEVENE & McAVOY

TRIAL LAWYERS

310 Security Mutual Bldg.
BINGHAMTON, NEW YORK

Insurance attorneys. Especially equipped to handle investigations, adjustments and litigation over central New York.

ACKERMAN, LEVET & GEILICH

175 Main St.
White Plains, N. Y.

John J. Ackerman William B. Levet
Ralph Geilich

ULYSSES S. THOMAS

719 White Building
Buffalo, New York

Employers' Liability Assurance Corp.,
Western and Southern Indemnity Co.
other casualty, bonding and fire companies

VanDuser, Liebschutz & Curran

425 Genesee Valley Trust Building
Rochester, New York

Representing London & Lancashire, Glens Falls, Firemans Fund, Aetna and many others.
Trial of all Insurance Cases, State and Federal Courts.
Equipped for Investigations and Adjustments in Rochester and Surrounding Territory.

JOHN C. LOOBY

74 Chapel Street
Albany, N. Y.

Bankers Indemnity, Norwich Union, London & Lancashire
Equipped for investigations and adjustments in this territory and trial of cases in Federal and State Courts.

NORTH CAROLINA

SMATHERS, MARTIN & McCOY

Jackson Building
Asheville, North Carolina

Representing Aetna, Travelers, Ind. Ins. Co. of N. A., American Surety Co. and many others.
Equipped for investigations, adjustments and settlement of all claims. Trial of all cases in State and Federal Courts in Western North Carolina.

CHARLES HUNDLEY GOVER

505-511 Law Building
Charlotte, North Carolina

Representing Employers Group, Hartford Acc. & Ind. Co., Standard Acc. Ins. Co. and others.
Trial of all insurance cases in State and Federal Courts. Equipped for investigations and adjustments in western North Carolina.

N. CAROLINA (Cont.)

EDGAR D. BROADHURST

Banner Building
Greensboro, North Carolina

Equipped for adjustments. Trial of insurance cases in State and Federal Courts.

BURGESS, BAKER & ALLEN

The Raleigh Building
Raleigh, North Carolina

Sun Ind. Co., Royal Ind. Co., Globe Ind. Co. and others.
Investigations, adjustments and trial work in Central and Eastern North Carolina.

OHIO

Waters, Address, Wise, Roetzel & Maxon

1110 First Central Tower
Akron, Ohio

Representing Aetna Life Ins. Co., U. S. F. & G. Many others given on request.
Trial of all kinds insurance cases in State and Federal Courts and in surrounding territory.

L. B. McMillen and Oliver C. Martin

McMILLEN & MARTIN

309 Brant Bldg.
Canton, Ohio

Equipped for investigations, adjustments and trial of all insurance cases in Federal and State Courts in this territory.

JAMES A. CULBERTSON

914 First National Bank Bldg.
Cincinnati, Ohio

Globe Indemnity Co., Bankers Indemnity Ins. Co., and others.
Equipped for investigations and adjustments. Trial of all insurance cases, State and Federal Courts, Ohio and Kentucky.

McKEEHAN, MERRICK, ARTER & STEWART & GEORGE WM. COTTRELL

2800 Terminal Tower
Cleveland, Ohio

JOHN H. McNEAL

502 Auditorium Bldg., 1367 E. Sixth St.
CLEVELAND

Phone Main 1528
Attorney-at-Law

Facilities for Investigations, Adjustments and Trial work over Northern Ohio

BLANCHARD, TOU VELLE AND NIDA

42 E. Gay St.
Columbus, Ohio

Clients given on request. Equipped for investigations and adjustments. Trial of all insurance cases in State and Federal Courts.

Charles T. Warner

35 East Gay St., Columbus, Ohio
(Former Judge of Common Pleas Court and Superintendent of Insurance of Ohio from 1921 to 1935).

General Insurance Practice in All Courts and Insurance Department
Investigation and Adjustment of Claims
General Insurance Matters

MATTHEWS & MATTHEWS

25 North Main St.
Dayton, Ohio

Ocean Accident, Ohio Farmers, Ohio Farm Bureau, Indemnity Co. Col.

OHIO (Cont.)

CABLE & CABLE

Masonic Building
Lima, Ohio

Representing American Surety, Fidelity & Cas. of N. Y., General Acc. Fire & Life, Phila.
Trial of all Insurance cases in Federal and State Courts. Equipped for investigations.

HOLLOWAY, PEPPERS & ROMANOFF

821 Board of Trade Building
Toledo, Ohio

United States Fidelity & Guaranty Co. and others.
Trial of Cases, Surety and Casualty, complete investigation and adjustment service. Insurance trial work in all courts.

TROUTMAN & TAGGART

112 West Liberty Street
Wooster, Ohio

Representing The Ohio Farmers Ins. Co., and others. Equipped for investigations, adjustments and trial of all insurance cases in state and federal courts in this district.

Barnum, Hammond, Stephens & Hoyt

887-812 Mahoning Bank Building
Youngstown, Ohio

Adjustment Department
W. Carlton Young in Charge
Auto-Fire-Theft-Collision-Liability
Property Damage-Marine-Burglary

OKLAHOMA

Abernathy & Howell

LAW OFFICES
First National Bank Bldg.
Oklahoma City, Okla.

Representing Royal Ind. Co., Eagle Ind. Co., Great American Ind., and others. Equipped for investigations, adjustments, trial all insurance cases.

Embry, Johnson, Crowe & Tolbert

First National Building
Oklahoma City, Oklahoma

Equipped for investigation, adjustments, trial of all insurance cases in the State of Oklahoma.

V. E. McINNIS & JAMES H. ROSS

Ramsey Tower
Oklahoma City, Okla.

Representing Aetna Cas. & Sur. Co., Aetna Life, Prudential Ins. Co. of Amer., Car & General, American Auto Ins. Co., Maryland Cas., and others.
Equipped for investigations, Adjustments and Trial All Insurance Cases.

GEORGE M. NICHOLSON

Perrine Building
Oklahoma City, Oklahoma

Formerly Chief Justice of Supreme Court of Oklahoma.
Trial of all insurance cases in State and Federal Courts.

Pierce, McClelland, Kneeland & Bailey

629-638 Hightower Building
Oklahoma City, Oklahoma

THURMAN, BOWMAN & THURMAN

504-508 Braniff Building
Oklahoma City, Oklahoma

Representing F. & C., New York; F. & D., Baltimore; Mass. Bonding and many others given on request. Equipped for investigation, adjustments, settlement of all insurance claims. Trial of all insurance cases.

OKLAHOMA (Cont.)

JOHN L. ARRINGTON

407-12 Triangle Building
Pawhuska, Oklahoma

Representing Hardware Mutual Cas. Co., Stone Point, Wla., and others.
Trial of all insurance cases in State and Federal courts.

Allen, Underwood & Canterbury

Fifth Floor Oklahoma Building
Tulsa, Oklahoma

Representing
Home Indemnity Co., Employers Liability Assurance Corp.
Equipped to handle trials of insurance cases in Eastern Oklahoma.

GIBSON, MAXEY & HOLLEMAN

325 Exchange National Bank Bldg.
TULSA, OKLAHOMA

Equipped to handle claims, adjustments and trial of all insurance cases.

HUDSON & HUDSON

707 Ritz Bldg.
Tulsa, Okla.

WILLIAMS & FRENCH

909 Philtower Building
Tulsa, Oklahoma

Representing Hartford Accident & Ind. Co., American Surety Co., Sun Indemnity Co. of New York and others.

OREGON

Collier, Collier & Bernard

Suite 1220 Spalding Building

Henry E. Collier John A. Collier
E. F. Bernard
Portland, Oregon

E. L. McDougal

1437 American Bank Bldg.

Portland, Oregon

Equipped for Adjustments, Investigations and Settlement of Claims

MAGUIRE, SHIELDS & MORRISON

1113 Public Service Building
Portland, Oregon

Representing Maryland Cas. Co., Employers Reins. Corp., Yorkshire Ind. Co., Sun Ind. Co., American Auto Ins. Co., Associated Ind. Co., United Pacific Cas. Co., Canadian Ind. Co., Canadian Fire Ins. Co., Great Lakes Cas. Co., and others.

PENNSYLVANIA

ENGLISH, QUINN, LEEM-HUIS & TAYNTOR

Erie Trust Bldg.
Erie, Pa.

Representing Maryland Casualty, Preferred Accident and others furnished on request. Equipped for investigations, adjustments, trial insurance cases in Federal and State Courts.

(Continued next page)

INSURANCE ATTORNEYS

PENN. (Cont.)

HENRY S. AMBLER, JR.
1825 Philadelphia Savings Fund Building
Philadelphia, Pa.

Representing Glens Falls Ind., Continental Casualty, Century Indemnity.
Equipped for investigations, adjustments and trial of all cases in Southeastern Pa.

GEORGE Y. MEYER

1513 Berger Building
Pittsburgh, Pa.

Representing Employers Group, Loyalty Group and many others given on request.
Equipped for investigations, Adjustments in Southwestern Pennsylvania.

LEO. A. NUNNINK

1513 Berger Building
PITTSBURGH, PA.
Phone Court 226
Attorney-at-Law

Facilities for Investigations, Adjustments and Trial Work over Western Pennsylvania. Clients given on request.

RHODE ISLAND

SHERWOOD & CLIFFORD

1583 Turks Head Building
Providence, R. I.

Trials—Investigations—Adjustments

SOUTH CAROLINA

THOMAS-LUMPKIN & CAIN

1000-7 Central Union Building
Columbia, South Carolina

Specializing in Fire, Casualty, Surety and Life. Trial of all cases.
Equipped for investigations and adjustments all over South Carolina.

SOUTH DAKOTA

BAILEY & VOORHEES

Charles O. Bailey (1880-1928)
John H. Voorhees Melvin T. Woods, Jr.
Theodore M. Bailey Roswell Bottum
Howell L. Fuller
BAILEY-GLIDDEN BUILDING
SIOUX FALLS
INSURANCE PRACTICE

TENNESSEE

JENNINGS & O'NEIL

505-8 Bankers Trust Bldg.
Knoxville, Tenn.

The Employers Liability Assur. Corp., Ltd. of Boston, Mass.; American Employers Ins. Co.; Massachusetts Bonding Co.
Trial of all cases in State and Federal courts.

PLEASANTS & HICKOX

1715 Exchange Building
Memphis, Tennessee

Several years engaged in trial of all Insurance Cases in State and Federal Courts. Equipped for Investigation, Adjustments and Settlement of all Insurance claims in Western Tennessee, Northern Mississippi and Eastern Arkansas.

AUST, McGUGIN & SPEARS

American Trust Bldg.
Nashville, Tenn.

Representing Fireman's Fund, Lumbermans, American Motorists, and many others.
Equipped for investigations, adjustments, trial of all insurance cases in State and Federal courts in Central Tennessee.

TEXAS

WAGSTAFF, HARWELL WAGSTAFF & DOUTHIT

Attorneys at Law
Abilene, Texas

Equipped to handle adjustments, investigations, settlement of claims and trial of all insurance cases.

WILL R. SAUNDERS

1013 Oliver Eakle Building
Amarillo, Texas

Representing Associated Ind. Corp.; Traders & General Ins. Co.; American Fidelity & Cas. Co. of New York. Equipped to handle claims, adjustments, and investigations Panhandle territory. Practice in all State and Federal Courts.

HART, PATTERSON AND HART

624-630 Littlefield Building
Austin, Texas

Representing F. & D., Baltimore, Zurich Ins. Co., Home Ins. Co. of N. Y., American National Ins. Co., and others on request.
Equipped for adjustments in Central Texas and trial work in all courts—State and Federal.

KING & RIENSTRA

206 Gilberts Building
Beaumont, Texas

Representing Employers Group, Boston, others on request.
Trial of all insurance cases State and Federal Courts Eastern District of Texas.
Equipped for investigations.

Touchstone, Wight, Gormley & Price

1108 Magnolia Bldg.
Dallas, Texas

Cantey, Hanger & McMahon

15th Floor Sinclair Building
FORT WORTH, TEXAS
Samuel B. Cantey Samuel B. Cantey, Jr.
(1885-1934) Alfred McKnight
William A. Hanger Willis A. Johnson
Mark McMahon R. E. Hanger
W. D. Smith
Investigations, Adjustments, Trial All Cases

Armstrong, Cranford, Barker & Bedford

ATTORNEYS AT LAW
American National Insurance Bldg.
Galveston, Texas

Equipped for investigations, adjustments, settlements of claims, trial all insurance cases.

Boyles, Scott, Tobey & Atkinson

First National Bank Bldg.
Houston, Texas

Fulbright, Crooker & Freeman

State National Bank Bldg.
Houston, Texas

SIMMONS & ARNOLD

824-29 First National Bank Building
Houston, Texas

New Amsterdam Cas. Co., Alleman's Fire of Pittsburgh, Cravens-Dargan, American Central Fire, St. Paul Fire & Marine.

TEXAS (Cont.)

BLEDSE, CRENSHAW & DUPREE

First National Bank Building
Lubbock, Texas

Representing U. S. F. & G., F. & D., Maryland Casualty, American National Ins. Co., Amicable Life Ins. Co., and many others.
Trial of all insurance cases in all courts. Equipped for Investigations—Adjustments—Settlement of claims in plains Country.

Ball, Seeligson & Trueheart National Bank of Commerce Bldg. San Antonio, Texas

Representing U. S. F. & G., Maryland Casualty and others. General Insurance Litigation Defense only.

BIRKHEAD, BECKMANN, STANARD & VANCE

800-811 Gunter Building
San Antonio, Texas

UTAH

Stewart, Stewart & Carter

1105 Continental Bank Building
Salt Lake City, Utah

Equipped for investigations, adjustments, settlements of claims and trial of all insurance cases State of Utah.

WASHINGTON

F. A. KERN

Washington National Bank Bldg.
Ellensburg, Washington

U. S. F. & G. Co., Sun Life Assurance Co.

BATTLE, HULBERT, HEL- SELL & BETTENS

1001 Exchange Bldg.
Seattle, Wash.

Representing Standard Accident Ins. Co. and others. Trial of all Insurance Cases and others in State and Federal Courts.

BAYLEY & CROSON

900-907 Insurance Bldg.
Seattle, Wash.

Frank S. Bayley Burton J. Wheelon
Carl E. Croson F. Bartow Fite, Jr.
O. H. Johnson George W. Martin

BOGLE, BOGLE & GATES

8th Floor Central Building
Seattle, Washington

Fireman Fund Insurance Co.
Oregon Mutual Life
Centennial Life Ins. Co. Lincoln National Life
Franklin Fire Ins. Co. Occidental Ind. Co.
Home Ins. Co. (Marine Dept.)

PALMER, ASKREN & BRETHORST

1710 Hoge Building
Seattle, Washington

Representing Employers Liability Assurance Corporation and others.

WASHINGTON (Cont.)

ROBERTS, SKEEL AND HOLMAN Insurance Building

John W. Roberts W. B. McKelvy
E. L. Skeel Wm. Paul Uhlmann
Tom W. Holman Harry Henke, Jr.
Frank Hunter W. E. Evenson
Tyre H. Hollander Robert H. Grass
Laurence Booth, Jr. SEATTLE

RYAN, ASKREN & RYAN

Suite 1903, Northern Life Tower
Seattle, Wash.

Counsel for Association of Life Insurance Presidents—Commercial Casualty, Metropolitan, London Guarantee & Accident and others.
Trial all insurance cases in State and Federal Courts in Western Washington.

POST, RUSSELL, DAVIS & PAINE

Exchange Building
Spokane, Washington

Aetna Group, Hardware Mut. Cas. Co., Phoenix Ind. Co. and others.
Investigations, adjustments and trial of all insurance cases in Eastern Washington and Northern Idaho.

WISCONSIN

Young, Everson & Ryan

230 E. Walnut Street
Green Bay, Wisconsin

Fidelity & Casualty Co., of N. Y., Massachusetts Bonding Indemnity Co., and others. Trial of all casualty, fidelity and fire insurance matters. Specially equipped for investigations and adjustments.

CHESTER D. RICHARDSON

Dale Building
Kenosha, Wisconsin

Loyalty Group, Century Indemnity Co., and others. Equipped for investigation, adjustments, trial of all Insurance Cases.

WOLFE & HART

First Wisconsin Nat. Bank Bldg.
Milwaukee, Wisconsin

Special attention to the Law of Fire Insurance

Bouck, Hilton, Kluwin & Dempsey

First National Bank Bldg.
Oshkosh, Wisconsin

Fidelity & Cas. Co., Continental Cas. Co., Employers of London. Equipped for investigations, adjustments, trial of all fire, casualty, and surety cases in district.

HERMAN C. RUNGE

712-16 N. 8th Street
Sheboygan, Wisconsin

Massachusetts Bonding & Ins. Co. and others—Equipped to handle adjustments—and trial work.

WYOMING

WM. B. COBB

Consolidated-Royalty Building
Casper, Wyoming

Representing U. S. F. & G., Travelers, Loyalty Group, Glens Falls and others.
Equipped for investigations, adjustments and trial of all insurance cases.

TAKE BOTH

Local agents who write Life Insurance should read
The National Underwriter Life Insurance Edition (\$3 a year) as well as the Fire, Automobile and Casualty Section. Both on one subscription, \$5.50 a year.
SEND ORDER NOW TO A-1946 INSURANCE EXCHANGE, CHICAGO.

THE ACCIDENT & HEALTH REVIEW

Send 9 cents in stamps for sample copy of
The only exclusive accident and health paper published.
It gives ideas and suggestions that help you sell income protection insurance.
Address your inquiry to A-1946, Insurance Exchange, Chicago

MARINE INSURANCE NEWS

John E. Hoffman Retires

**President of American & Foreign and
Noted Marine Leader Resigns
Because of Ill Health**

John E. Hoffman, president of the American & Foreign and United States manager of the British & Foreign Marine, Reliance Marine and Ocean Marine, retired on Dec. 31 because of ill health. Mr. Hoffman had a serious illness several years ago and has twice been ill since, and his physician has advised him to take a complete rest.

He will be succeeded by Eric E. Ellis, who has been sub-underwriter in the office for the past five years. Mr. Ellis received his early experience in marine insurance at the head office of the British & Foreign at Liverpool and in 1921 he was transferred to the United States branch in New York City, where he has been steadily advanced. He is regarded as an expert marine underwriter and received much of his training under Mr. Hoffman.

Began as Youth

Mr. Hoffman went to New York from Cadiz, O., as a youth and entered the United States branch of the British & Foreign Marine as a stenographer in 1887. The branch had been established about 11 years previously and had already built up a substantial business. Mr. Hoffman became secretary of the branch in 1900 and at the beginning of 1911 the Royal, which controls the British & Foreign Marine, entered the marine field in the United States and appointed Mr. Hoffman its United States marine manager. In 1930 he accepted appointment to the positions from which he is now retiring.

Has National Reputation

He has always had a reputation for being a conservative underwriter, believing firmly that it was more important to show profits than to concentrate on premium volume. On several occasions during the bad period following the world war the chairman of the Royal expressed his appreciation for the

fine underwriting results he had obtained.

Mr. Hoffman has achieved a national reputation and will be missed in the marine field, where he is widely known. In recognition of his long service and his high standing as an underwriter, Mr. Hoffman has been called upon to serve as an officer or member of many important committees of several of the leading marine insurance organizations. He has for some time been prominently identified with the Board of Underwriters of New York and the American Institute of Marine Underwriters.

Committee Amends Rules

NEW YORK, Dec. 31.—The executive committee of the Inland Marine Underwriters Association, which recently adopted an optional, unattended automobile clause relating to personal effects policies, effective March 1, has also amended the rules which formerly prohibited the issuance of transit floater policies to include parcel post shipments under any circumstances.

Seamen's Claims Disallowed

NEW ORLEANS, Dec. 31.—A decree handed down by Federal Judge Borah confirmed findings of a recent report by commissioners in admiralty on damages growing out of the wreck and burning of the steamship "Sylvanus" in a collision April 8, 1926, with the steamship "Thomas H. Wheeler," 40 miles below New Orleans. Claims of 20 Chinese members of the crew, burned to death in the fire, were disallowed. Their heirs had sought \$25,000 for each of the men. A number of claims were filed by salvors and other persons interested in the vessel and its cargo of gasoline. Part of the cargo and hull brought \$53,000 when sold.

Discuss Commission Reduction

Discussion is rife in Pacific Coast marine insurance circles over a proposed reduction in cargo commissions by the Society of Marine Underwriters. The present scale is 10 and 10, and the rumored proposal calls for a leveling of commissions to a flat 10 percent.

May Void D. of C. Ruling on Agents

(CONTINUED FROM PAGE 2)

plished in the work, he is an independent contractor. The retention by the employer of the right to supervise as to results, as distinguished from the right to supervise as to means by which intermediate work should be done, does not affect the relationship. Other considerations are the nature of the business, which party furnishes the tools, the place to work, the time of employment, the method of compensation, and intent of the parties."

Decisions in Borderline Cases

It is the admission by the board that the distinction between independent contractors and employees must be determined in many cases upon the exact facts peculiar to the case that is a principal ground for hoping that agents on a purely commission basis may yet be exempted by the board without having to take the question to court.

The District of Columbia board's decision is regarded as important not only because it is one of the first jurisdictions in which the question of employment status has come up but because of relationship between the District's government and the federal government, which is sponsoring the unemployment insurance program.

In Wisconsin it was held in the case of two companies that life insurance agents on commission are not subject to the act.

The vagueness in the ruling, in that it makes no distinction between salaried

salesmen and commissioned agents, is believed by insurance lawyers to be intentional, leaving the way open for companies operating through strictly commission remunerated agents to seek relief individually.

In this respect the ruling states, "Insurance salesmen are employees. Whether the returns and contributions shall be made by the general agent or by the home office may be decided by agreement between these two. If no such agreement can be reached, the general agent will make the return and pay the contribution. In the case of life insurance salesmen, all renewal commissions are wages and must be so reported in the month when paid."

The ruling also points out that the statute uses the terms "contract of employment" and "contract of hire," in describing the employment to which the act refers, terms which the board finds are those commonly used to describe the relationship ordinarily called by the law "master and servant."

"Master and Servant" Definition

The board states, "While the exact definition of 'master and servant' has never been formulated because of the infinite variety of facts to which the term applies, it is well settled that the relationship exists whenever the employer retains the right to direct the manner in which the business shall be done, as well as the result to be accomplished; in other words, not only what shall be done, but how it shall be done."

"This rule does not require that the employer actually direct the manner in which the business is to be done, but that he retains the right to do so. Or-

dinarly the right to discharge the employee is essential to the right to control him, and this is one of the important considerations in determining whether a person is or is not an employer; the mere reservation to demand the discharge of a person under certain circumstances is not the same as the right to discharge him."

The board states that the question as to who should pay the employment compensation contribution in cases where there are contracts and sub-contracts will be decided by determining who hires and discharges employees, who has the right to direct or control the manner in which the employee's work is performed, and who actually pays the salary or wages to the employee. Whoever under these tests is the employer, the board rules, is liable for the returns and the contribution.

MARSHALL OUTLINES VIEWS

WASHINGTON, Dec. 31.—The chief opposition of the companies to the proposal that agents be classed as employees, according to Insurance Superintendent Marshall, who will head the new social security board, was due less to the fact that they would be subject to tax than to a desire not to assume responsibility for the men. Nevertheless, he held, the agents were employed by others and therefore should be classified as employees.

It was admitted by the superintendent that there may be some doubt as to the propriety of such a ruling, it being his belief that in Wisconsin agents have been excepted. In other states having social security laws, he said, the regulations apparently have not yet been issued.

However, it was pointed out, if a divergence of opinion arises in the various states, the question of agents' status can be determined in the courts, a proceeding to which he would have no objection.

INSURANCE STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 So. La Salle St., Chicago, at close of business Dec. 30, 1935

	Par	Share	Bid	Asked
Aetna Cas.	10	3.00*	105	110
Aetna Fire	10	1.60	56	58
Aetna Life	10	.80	34	36
Agricultural	25	3.00	80	83
Amer. Alliance ..	10	1.00	28	30
Amer. Equitable ..	5	1.00	31	33
American (N. J.) ..	2.50	.50	15 1/2	17
Amer. Reins.	10	2.50	65	68
Amer. Reserve ...	10	1.00	32	34
Amer. Surety	25	2.00	53 1/2	55 1/2
Automobile	10	1.20*	40	43
Boston	100	21.00*	690	710
Camden Fire	5	1.00	23 1/2	24 1/2
Central Surety ...	20	.50	30	32
Contl. Casualty ..	5	.60	23 1/2	25
Continental	2.50	1.45*	42	44
Crum & For. Com.	10	.85	33	35
Excess	5	.50	14 1/2	16 1/2
Fidelity & Dep. ..	20	1.00	85	87
Fidel. & Guar. F.	10	.50	42	44
Fidelity-Phen. ...	2.50	1.45*	43	45
Fire Assn.	10	2.50*	77 1/2	79
Fireman's Fund ..	25	4.00	100	102
Fireman's F. Ind.	10	...	31	35
Firemen's (N. J.) ..	5	...	12 1/2	13 1/2
Franklin	5	1.20*	33	35
Glens Falls	5	1.60	39	41
Gl. & Rut. (com.)	25	...	44	47
Gt. Amer. Ins. ...	5	1.00	30	32
Gt. Amer. Ind. ...	1	.15	9	...
Hanover Fire	10	1.60	39	41
Hartford Fire ...	10	2.50*	82	85
Home Fire & M. L.	10	2.00	46	48
Home (N. Y.) ...	5	1.20*	39	41
Ins. Co. of N. A.	10	2.50*	75	77
Merch. F. Assur. ..	2.50	1.00	56	58
Monarch Fire ...	4	...	5 1/2	6 1/2
Natl. Cas.	10	.40	17	18 1/2
Natl. Fire	10	2.00	75	77
Natl. Liberty ...	2	.30*	10 1/2	11 1/2
Natl. Union F. ...	20	2.50*	148	152
New Am. Cas. ...	2	...	12 1/2	14
New Hamp. F. ...	10	1.60	47	49
New York F. ...	5	.30*	21	23
Northern (N. Y.) ..	12.50	4.00*	110	112
North River	2.50	.85*	27 1/2	29
Northw. Natl. C.	2.50	.10	8	9
Ohio Cas.	50	4.00	75	85
Pacific Fire	25	3.50*	130	135
Phoenix	10	2.50*	100	104
Prov. Wash.	10	1.25*	41	43
Security	10	1.40	40	42
Southern Fire ...	10	1.00	26	28
Spfld. F. & M. ...	25	4.75*	142	145
St. Paul F. & M.	25	7.50*	197	202
Standard Accl. ...	10	...	9	12
Travelers	100	16.00	605	625
U. S. F. & G. ...	2	...	14 1/2	15 1/2
U. S. Fire	4	1.70*	55 1/2	57 1/2

*Includes extra.



IN THE SOUTHERN STATES

Fire Hazard Is Overlooked

Cotton Ginning Process Presents Dangers Because of Rapidity With Which Blaze Spreads

Fire is an ever present hazard in the process of ginning cotton which is quite often overlooked. It is an especially important hazard because of the fact that a fire originating in the gin is spread through the entire system with such rapidity that it is almost equal to the effect of an explosion.

The first warning is the appearance of fire at the baler. Quick work is necessary to confine the damage to a minimum because almost immediately the cotton may be burning along 20 or 30 feet of pipe with a constant supply of fuel being added. In addition, a charred bit of cotton in the interior of a bale may smolder for days and weeks before breaking out into a possibly disastrous blaze. Many fires in warehouses and aboard ships have originated in this manner.

The fire may be caused by sparks struck out by the fast moving saws, with a possibility that static electricity may also be generated in the gin, but investigation has shown that the most common cause is matches falling from the shirt pockets of pickers into their cotton sacks. The use of safety matches under such conditions is strongly recommended and many of the ginners are making a practice of furnishing them to the cotton growers for distribution among the pickers. One company alone reports that during last season half of its fires occurred on Monday when the pickers were most likely to have in their pockets ordinary matches picked up during the week end.

Ask Bids for Bridge Cover

NEW ORLEANS, Dec. 31.—Agents are invited by the public belt commission of New Orleans to submit bids for furnishing \$6,000,000 property damage insurance and approximately \$900,000 U. & O. for the Mississippi river bridge with a dead line of Jan. 14.

Pearl Gets School Line

NEW ORLEANS, Dec. 31.—The A. C. Gauthier agency at St. Martinsville, La., wrote the St. Martin parish school board lines for the Pearl at 20 percent below published rates.

New Oklahoma Secretary

L. I. Baker, of the L. I. Baker agency, Oklahoma City, is appointed secretary of the Oklahoma Association of Insurers. Because of uncertain plans regarding reorganization of the association, the appointment had been delayed, according to President E. W. Clarke.

Atlanta Loss Is Reduced

Fire Chief O. J. Parker of Atlanta reported total fire loss in Atlanta in 1935 was \$239,495 up to the last few days. In 1934 the loss was \$195,000, lowest since 1907. Two out of three years of his term have been marked by reduction in fire waste.

Florida Local Agents Active

TALLAHASSEE, FLA., Dec. 31.—Local board activities reported to the office of Secretary E. C. Eifler, of the Florida Local Underwriters Association indicate advancement in many cities. The St. Petersburg Board becomes co-extensive, its entire 31 members being members of the state and national associations. This roster represents 97 percent of the agencies of the city.

Daytona Beach has 20 of the 30 agents of the city. In a recent rally Jacksonville had a large attendance from five counties in addition to the

home county of Duval, with State Secretary Eifler and Mitchell Stallings, Tampa, state director, present.

Secretary Eifler reports that the membership of the Florida association is now 349, the largest in its history. A notable thing is that in the list of some 30 new members in the last 60 days there is a great number from the smaller towns.

File Commission Deviations

NEW ORLEANS, Dec. 31.—Four companies in Louisiana will deviate from the regular commissions paid agents during 1936. Under the Louisiana law companies must file the commission to be paid during the next year. Those that will pay other than the regular 20 percent on fire and 25 percent on automobile fire and theft are: Zurich Fire, auto fire and theft, 30 percent (motor vehicle); Employers Casualty, fire, hail, windstorm (one agency), 30 percent; American Druggists, 15 percent all busi-

ness; Merchants of New York, fire, 25 percent on brick and fireproof buildings, theaters, hotels, libraries, hospitals, fireproof or brick apartment houses and contents under city protection; 20 percent on special hazards, mercantile stocks and all other classes, 20 percent auto fire and theft, and 10 percent contingent based on 50 percent reserve.

Greenspan With Phillips

W. A. Greenspan has resigned from the staff of the Sol Moyses & Co. agency of Chattanooga to become a partner in the E. C. Phillips agency there.

Southern Notes

Hobart Insurance Service of Roanoke, Va. has been incorporated by T. D. Hobart, Jr.

J. J. Smith has sold his local agency at Hubbard, Tex., to M. A. Norris and Miss Ella May Norris.

William Bense, 62, insurance pioneer of Dallas, died suddenly at his home there. He had been with the Republic Fire more than 20 years.

Increased business has necessitated the removal of offices of **Pryor, Love, Ollphant & Lewis**, Chattanooga, Tenn., to more commodious quarters in The Chattanooga Bank building.

PACIFIC COAST AND MOUNTAIN

Bid for State Liquor Cover

Washington League Protests Action of Board in Distributing Commissions to Select List

SEATTLE, Dec. 31.—The Insurance Agents League of Washington has made a determined bid to handle the insurance on the state-owned liquor stores, involving over \$4,000 in commissions. After a special committee, headed by President George R. Thieme, had presented its proposal to the liquor control board at Olympia, the board announced that it intended to distribute the commissions to a select list of agents throughout the state. President Thieme immediately wired Governor Martin, pointing out that the distribution of commissions to agents who performed no service in connection with the writing of the line was a waste of the taxpayers money.

Cover Placed Direct

The liquor board in October employed a salaried manager to place the coverage direct with the companies, which was done after a survey had been made of the various stores, warehouses and sales agencies. Immediately, the agents' association protested the disregard of agency service and the board's insurance manager then announced that commissions would be distributed to various agents. However, this action did not meet with the league's approval and at the November meeting of the executive committee, President Thieme was instructed to submit a proposal on behalf of the league to service the business for the board and distribute the commissions to the member agencies. The league's proposal was submitted in writing to the liquor board and also to Governor Martin. A delegation, headed by Mr. Thieme and A. S. Morgenstern, appeared before the liquor board. Later L. E. Gregory, chairman of the board, announced that commissions on the business would be distributed to a random list of agents throughout the state. It was then that the telegram of protest was communicated to Governor Martin.

Coast Notes

Walter Chown, manager California Inspection Rating Bureau, is expected to return to his San Francisco office the first of the year after taking a necessary three months' rest at his Berkeley home.

C. A. Wagner, of the sprinkler department, Oregon Insurance Rating Bureau, was guest speaker at the Insurance Men's Breakfast Club, Portland.

New Building Code Adopted

City Council of Helena, Mont., Takes Into Consideration the Earthquake Hazards in Its Work

The city council of Helena, Mont., has put into effect a revised building code copied very largely after the one adopted by Long Beach, Cal., following the earthquake in the latter city in 1933. The new Helena code is designed chiefly to furnish the largest amount of protection to buildings and occupants on account of earthquakes. Altogether since Oct. 12, there have been more than 1,000 tremors in that region. It is estimated that the property damage will be more than \$3,000,000. The better class of buildings withstood the earthquake quite well. Careful study is being made as to the character of buildings that offered the greatest resistance.

Protest Governor's Action

President Homer H. Lipps of the Idaho State Association of Insurance Agents has written a letter to Governor Ross strongly protesting the latter's action in urging state employees to solicit business for the state insurance fund. The letter was written at the request of the association's executive committee which met recently in Boise. Mr. Lipps pointed out that the state's general fund received approximately \$267,000 in insurance premium tax money, over and above what was required to finance the office of director of insurance. He declared that it was inconsistent for the state to actively compete in business with its citizens while at the same time deriving its sustenance from tax sources.

Coast Notes

"Mike" Mulligan, engineer for the Mountain States Inspection Bureau of Denver, announces the arrival of a nine-pound son.

A. S. Morgenstern, president of the H. E. Lippman & Co. agency, Seattle, has been appointed on the board of trustees of the King County Hospital System.

Donahoe & Son, Chealis, Wash., agency, operated for many years by T. M. Donahoe, now state supervisor of savings and loan associations, has been taken over by the latter's two sons, Marion and Robert Donahoe.

The fire insurance loss on the **Tacoma hotel**, famous landmark and one of the oldest hostleries on the Pacific coast which burned in October, has been closed for \$279,500. There was \$72,500 insurance on contents and \$207,000 on the building.

George Murch of Barney & Barney addressed the recently organized San Diego chapter of the Insurance Girls Service Club Monday.

Eastern States Activities

Massachusetts Cities' Needs

National Fire Protection Association Reports on Three Important Points in the State

Brockton, Mass., is undertaking a dwelling house inspection campaign sponsored by the fire department and the fire prevention committee of the chamber of commerce. The firemen are inspecting the basements of all residences where they get the permission of owners.

The National Fire Protection Association engineers in visiting Lowell, Mass., find that there is continued activity to improve conflagration breeding structural conditions. During the past 20 months 234 hazardous buildings have been demolished.

The N. F. P. A. in reporting on Lynn, Mass., says that its per capita fire loss for the last five years is greater than that of any other city of its size in New England. Its number of fires per thousand population is twice as great as the average for other cities in the United States. In many districts buildings are closely built with a large proportion of frame structures. The business district is made up mostly of brick walls, wood joisted buildings, inferior from the fire standpoint with large fire areas and unprotected openings. The minor mercantile districts expose congested frame dwellings and tenement sections with likelihood of severe creeping fires. The fire department is hampered by lack of proper training and the practice of sending only one company in response to alarms in the business district during the day. The fire prevention committee of the chamber of commerce has done something in promoting the movement to demolish old buildings.

New Jersey Fire Loss Down

Substantial Decrease in 1935 Over 1934 Dwelling and Hotel Risks Have Favorable Experience

NEWARK, Dec. 31.—Steady decrease in New Jersey fire losses have been shown year after year the past 10 years and the year 1935 has not proved an exception. Losses for the year have been estimated at \$5,393,000, a substantial decrease over 1934 when losses were \$7,249,000.

During the past year there have been several noticeable features which have attracted attention of fire insurance executives, one of them being the scarcity of arson cases when compared with the two previous years, particularly dwellings, and the other is the low hotel loss ratio. These two classes, particularly dwellings, were considered good business up to 1931, but during 1932 and 1933 the loss ratio ran extremely high. It was not until the beginning of 1934 that losses in these classifications began to drop and there has been a steady improvement since in the state.

West Virginia Marshal's Work

State Fire Marshal Watkins of West Virginia states that 18 people have been arrested for arson following investigation by his department and are now awaiting trial. The November fire losses in the state were \$49,915. There were 41 fires which were of unknown origin.

C. H. Wier, Jr., S. Kolb and A. Williams, all of Salisbury, Md., have incorporated Wier & Kolb Insurance Agency, at Salisbury, Md.

Ocean Marine Is Showing Increase

(CONTINUED FROM PAGE 1)

the vessel comes into collision with another vessel as a result of negligent navigation of both vessels, the owners of the cargo carried hereunder will indemnify the shipowner against all liability to the other or non-carrying vessel or her owners in so far as such liability represents loss or damage or any claim whatsoever to the said cargo paid or payable by the other or non-carrying vessel or her owners to the said cargo owners and set off, recouped or recovered by the other or non-carrying vessel or her owners as part of their claim against the carrying vessel or shipowner."

Await a Test Case

In short, this clause requires the shipper when the shipowner has complied with the Harter act or the Hague Rules to hold the shipowner harmless against claims made by the non-carrying ship in respect to the cargo carried. It was agreed that no definite action could be taken by the underwriters on this until a test case presented itself and in the meantime, the American Institute of Marine Underwriters issued an endorsement to the effect that in event of the bill of lading carrying the aforementioned clause, the assured is indemnified for the amount he is legally bound to pay under such a clause.

New Markets Are Opened

The year has brought about new markets. The construction of the giant ship "Normandie" by the French government, the new "Queen Mary" by the English and the proposal for new naval vessels by the United States government have increased the premium income of marine companies. A builders risk syndicate has been formed in connection with the last named proposal and \$5,655,000 has been subscribed to it by American companies. The policies will be written on the Navy department form. The concentration of this business in the American market is in line with the amendment to the ship subsidy bill which was passed during the last legislature requiring American coverage on new ships. At the same time that this builders risk contract was accepted, Secretary Roper issued a proclamation that all ship building risks on American naval vessels under construction in private shipyards should be underwritten only by American companies.

Hull Rate Trend Downward

The trend in hull rates has inclined downward while that of cargo has been somewhat stabilized in the past few months. The condition in Europe and Africa has caused war risk rates to rise and this has naturally increased the premium income. There has been a substantial increase in all ocean marine cargo rates to and from all points which might be involved and no losses have been suffered to date. There has been a notable increase in the American exports in the last two months contrary to the usual seasonal trend. Almost twice as much cotton was exported last month in comparison with the report of the similar month in 1934.

The importation of gold since the end of the summer has been greatly in excess of the customary amount and this has borne the war risk feature in insurance rates. The "Normandie" on one trip brought in \$15,000,000 worth and more than half of this was underwritten here.

Underwriters feel that the increased foreign trade will continue and this throws a bright outlook on marine underwriting for the coming year. The chief problem to be met at present is that of artificial prices.

In recounting losses of the past year, other than those already reported, the greatest concentration seems to be on the ones incurred through the recent hurricanes in Florida and also the fire

there which destroyed \$1,000,000 worth of yachts. The largest individual loss during the hurricane was the "Elizabeth" which was broken in two and sank. The boat was valued at \$650,000. The yachting season started out this year with a bright outlook but it is feared that the losses sustained will raise the loss ratio on that particular coverage.

Other Losses Recorded

Other vessels which were reported as casualties include the "Lexington" which sank in the East river, New York City. The hull coverage was \$100,000 and the cargo equally as much. The "Denali" sank off the Alaskan coast in May with a total loss over \$250,000. The "Dixie," like the "Havana" will show heavy claims and salvage charges. The Italian vessel "Ausonia" which was destroyed by fire off Alexandria, Egypt, was a total loss and the market here was considerably interested both in the hull and cargo. However, the losses have run about normal and underwriters do not feel that the year has been a bad one.

Inland Marine Insurance in Year 1935 Is Reviewed

(CONTINUED FROM PAGE 3)

and a corresponding number of new policies have been written. Underwriters state that jewelers' block policies are now concentrated in the United States and as a rule these are very good risks. Experience on them has been satisfactory. Among some of the large individual coverages written this year was the \$750,000 policy taken on the famous Jonker diamond which was brought to this country early in the summer. A particular feature of the jewelry coverage is the fact that it follows the assured wherever he may be.

Fine Arts Coverage

As is the case with jewelry, much of fine arts business is now being given to the American market (rather than London), and in the last 12 months some outstanding contracts have been written. The Frick collection in New York is valued at well over \$10,000,000 and is fully insured. There have been an unusual number of art exhibits all over the world which have naturally netted carriers an additional income. Such events as the sale and transporting of several fine paintings from the Morgan collection have demanded larger floater policies.

Losses Considered Normal

Losses are thought to run about normal. Hijackings have taken their toll in claims. A partial estimate runs the figure beyond \$1,500,000. An analytical report compiled by the Babaco Company shows the classification of the losses, the greatest being in furs with registered mail thefts following closely. Silk and cotton goods and liquor take third and fourth place respectively. The greatest number of thefts is in cigarettes although that item comes seventh in the list according to value. Inland marine underwriters generally recognize the value of a burglar alarm system on trucks and many specifically require Babaco protection before accepting a trucking risk.

More Attention to Inland Marine

Inland marine insurance is rapidly coming to the foreground. Its importance is being recognized all over the country and many talks have been given on the subject during the last year. The Insurance Society of New York now places the inland marine course on its required list before a degree is awarded. At the annual meeting of the National Association of Insurance Agents a symposium was conducted by E. G. Shipser, Commercial Union, and H. M.

Loeb, Chicago agent, which attracted wide attention. The general outlook for this type of business is excellent; first, because the form itself originally grew out of public demand and now the need for an all-risk coverage is constantly greater and underwriters are of the opinion that eventually all movable property will be insured under such a contract.

Backward Glance Over Closing Year

(CONTINUED FROM PAGE 2)

About 40 miles of pole line were destroyed in the Miami hurricane. The loss to the Hollywood hotel is now estimated at about \$125,000.

Observers here say that the companies with southern departments in Atlanta came off with the smallest losses. The Atlanta managers, it is said, have all been conservative in accepting windstorm liability in Miami. Agents are allotted a certain limited windstorm writing power. The fire premiums suffer, of course, but the Atlanta managers have been willing to take that penalty.

The Miami loss was a blow to the managers who were already spending their contingents, because it came later than any before in history. However most of the departmental officers and general agencies are still in the black, so far as contingents are concerned, despite the Miami setback.

Losses in the south in the past two weeks have shown an increase. The cold snap that sent the thermometer below zero in the north brought a low of six above as far south as Atlanta. When it gets cold in the south the stokers send the thermometer many degrees above that maintained in buildings in the north, and there is an outbreak of losses. There has also been a series of cotton warehouse fires throughout the south recently.

Supplemental Contract

The S. E. U. A. people are now giving serious consideration to the idea of issuing the supplemental contract as a means of holding the volume and as a substitute for further rate reductions. An attempt is being made to frame a contract that will be uniform for S. E. U. A., W. U. A. and E. U. A. territories. In the south the windstorm feature is a problem of the supplemental contract along the coast. A secondary problem is the smoke damage feature, since soft coal is universally used in the south and constitutes a far greater hazard than does hard coal.

The southern managers, like those in the east and west, are being confronted with demand for payment of contingent commissions to local agents. Sidney Smith of Gainesville, Ga., a member of the executive committee of the National Association of Insurance Agents, has been forcefully promoting the idea. The southern executives feel that the expense ratio simply cannot be increased in this way. Furthermore, they realize the contingent commission issue has to be treated nationally.

Considerable New Building

Considerable building activity is reported in the south. This has been confined largely to residences and public works, but just recently two industrial concerns have called for bids for construction of commercial buildings in Atlanta.

Executives of the southern departments convince one that they are sincerely interested in the welfare of the agent and are not merely giving lip service to the American agency system. Whatever planning is done revolves about the agent and the southern executives appear genuinely to have the interest of the producer at heart.

The Lafayette Fire has declared a semi-annual dividend of 8 percent. The Buffalo has declared a regular dividend of \$3 a share and also an extra of \$2.

PERSONALS

John L. Winter, local agent at Danville, Ind., died Dec. 27 at the age of 67. He started as a local agent 25 years ago at Jamestown, Ind., and later moved to Danville. He wrote principally farm insurance. A few years later he was appointed farm special agent for the Continental in Indiana and after serving the company in that capacity for five years he returned to his local agency. For the last several years however he has been doing special inspection work for the Continental and Fidelity-Phenix in different states in their western department. About three months ago he concluded again to enter local agency work and became a partner in the H. M. Towell agency at Danville.

He was recognized by his companies as a capable farm underwriter. He showed exceptional ability in analyzing an unfavorable loss situation and could point out clearly the underlying causes of an unfavorable experience, recommending steps which should be taken to bring about correction. As a salesman of farm insurance he had but few equals. He was the father of H. P. Winter, who started in the local agency at Danville, Ind., later became farm special agent for the Continental in Oklahoma and South Dakota and is now special agent for the recording department of the America Fore companies in Ohio.

A. C. Heltzell of Denver, appraiser and adjuster, who spends the Christmas holidays with his relatives at St. Louis, takes a run to Chicago to meet old time friends. For four years Mr. Heltzell was Illinois state agent of the Great American and then joined the London & Lancashire field staff, traveling in Illinois, Michigan, Wisconsin and Missouri at different times. He then located at Denver and had charge of its mountain field under the Pacific Coast department.

H. F. Ahmanson, Los Angeles, head of the California agency bearing his name, is spending the holidays with his family in Omaha. While in Omaha Mr. Ahmanson visited the home office of the National American Fire, of which his agency is the Pacific Coast representative.

Urges Greater Uniformity in Supervision by States

(CONTINUED FROM PAGE 2)

have failed. It is the duty of a director, he contended, to direct. Many do not take any personal responsibility. They may not have profited personally but they have lent their names. A director, he said, should know what is going on, take part in the administration and accept responsibility for his acts.

Uniformity in Taxation

Speaking on uniformity of taxation, Superintendent Pink stated that the 2 percent premium tax yields a considerable revenue and is neither harsh nor oppressive. Retaliatory taxes, he said, cause not only ill will but because of different tax bases in the various states they present many complicated legal problems. Therefore he advocated uniformity as to insurance taxes.

Erie Agents Are Hosts

Members of the Erie County Insurance Agents Association were hosts to western New York insurance men at a Christmas party. F. J. Marshall, president, and F. N. Winter, secretary Erie association, extended greetings. Responses were from Calvin Derrick and William Lucas of the Genesee-Wyoming Insurance Agents' Society, J. E. Hitchcock, Philadelphia, and J. B. Talley, of the fire adjustment bureau. More than 20 vaudeville acts made up the entertainment.

A · DIRECTORY · OF RESPONSIBLE INDEPENDENT ADJUSTERS

ARIZONA

LYLE ADJUSTMENT CO., INC.
O. S. Lyle, Pres. & Mgr. A. C. Larson, V.-P.
Elis Building and Branch Mgr.
Phoenix, Arizona Central Building
Tucson, Arizona
Casualty and Surety—Inland Marine—Fire—All Risks
Health and Accident—Life Investigations and
Inspection Reports
All Auto Dealer Coverages and General Investigations
Representing more than forty leading Insurance
Companies. References furnished on request.
Prompt Statewide Service Through Two Offices.

CALIFORNIA

J. P. McHALE & CO.
General Adjusters
for Insurance Companies
1031 South Broadway
LOS ANGELES, CALIFORNIA
Representing 45 insurance companies—
All Lines
Since 1915

R. F. SCHELL

255-59 Wilhoit Bldg.
Stockton, California
Black Bldg.
Modesto, California
Adjustment of all lines for insurance companies. Specializing in automobile and casualty.

DIST. OF COLUMBIA

NICHOLS COMPANY
INSURANCE ADJUSTMENTS
Representing Companies Only—All Lines
Woodward Building, Washington, D. C.
Mutual Building, Richmond, Va.
110 W. Fall Mall St., Winchester, Va.
Title Building, Baltimore, Md.
Prompt and Efficient Service Since 1921

ILLINOIS

C. G. EBERTH & CO.
ADJUSTERS
All Branches
Fire, Automobile—Casualty—Marine
Suite 1410—330 So. Wells St.
CHICAGO

THOMAS T. NORTH

ADJUSTMENT COMPANY
Automobile—Fire, Theft, Collision,
Conversion, Liability, Property Damage
Inland Marine, Burglary
175 W. Jackson Blvd. CHICAGO Harrison 3239

JOSEPH RICE & CO.

INVESTIGATIONS & ADJUSTMENTS
ALL CASUALTY LINES
Chicago Office Milwaukee Office
950 Ins. Exch. Bldg. 801 Guaranty Bldg.
Phone: Harrison 8888 Phone: Daly 9884

WHITNEY & MILLER

ADJUSTMENTS
175 W. Jackson Blvd. CHICAGO

INDIANA

Indiana Adjustment Company
Home Office, 130 E. Washington Bldg.
Indianapolis, Ind.
Fire, Cargo, Automobile, Collision, Theft,
Single Interest and Allied Coverages
Resident Adjusters at
Evansville, Fort Wayne, Gary, Indianapolis,
New Albany, South Bend, and Terre Haute.

INDIANA (Cont.)

Indiana Casualty Claim Service
Home Office, 130 E. Washington Bldg.
Indianapolis, Ind.
Personal Injury, Property Damage, Compensation, Health and Accident, General Liability, Surety and Inland Marine.
80 Offices—Day and Night—One Hour Service
Anywhere in Indiana.

Eugene McIntire

Adjustment Co., Inc.
Automobile, Casualty, Compensation and
Surety Adjustments
Eight, East Market Street
INDIANAPOLIS

Foley Adjustment Bureau

200-201 Union Trust Bldg.
South Bend, Indiana
Specializing in automobile and casualty claims.
Immediate service northern Indiana and Southern
Michigan.
Representing over one hundred companies for ten
years.
Phones: Office—3-9713. Night—3-3522, 3-2387,
5-0720-W.

KENTUCKY

J. H. HARRISON, INC.

General Adjusters
Head Office: Starks Bldg., Louisville, Ky.
Specialists on Automobile Finance Accounts
Fire, U. & O., Automobile, Casualty

Kirkpatrick & Pumphrey

ADJUSTMENTS
CITIZENS BANK BUILDING
LEXINGTON, KY.

MISSOURI

BERT E. STRUBINGER

CLAIM DEPARTMENT
CHEMICAL BLDG., ST. LOUIS
Automobile & Casualty Claims
Branches: Holland Bldg., Springfield, Mo.
Commerce Bldg., Kansas City, Mo.
H. & E. Bldg., Cape Girardeau, Mo.
W. C. U. Bldg., Quincy, Ill.
Gas & Electric Bldg., Denver, Colo.



O. B. Hanssen

General Adjuster
Automobile, Casualty, Burglary, Fire
Kansas City, Mo.
803 Walnut St. Suite 601 Gumble Bldg.

NEBRASKA

JUDD W. CROCKER & ASSOCIATES

Claim Department
Grain Exchange Bldg.
OMAHA
Stuart Bldg. First National Bank Bldg. Trane Bldg.
LINCOLN GRAND ISLAND NORTH PLATTE

NEBRASKA (Cont.)

R. T. GUSTAFSON COMPANY

Insurance Adjusters—Serving Nebraska and Iowa.
CASUALTY—ALL CLASSES: Auto, Liability, Compensation, Burg., H&A, F. G. Bonds, etc.
AUTO FIRE, Theft, Property Damage, Collision, etc.
OMAHA, NEBRASKA
234 Keeline Bldg. Office: Webster 2631
17th & Harney Sts. Res.: Kenwood 7411
18 years experience investigating and adjusting.

NEW MEXICO

JOSEPH L. SMITH

804 First National Bank Building
Albuquerque, New Mexico
Fully equipped for adjustments, investigations and
settlement of claims all over New Mexico.

NORTH CAROLINA

GAY & TAYLOR, INC.

Insurance Adjusters
Home Office
833-4 Wachovia Bank Building
Winston-Salem, N. C.
Branch 501 Security Bank Bldg., Greensboro, N. C.
Branch 715 First Natl. Bank Bldg., Charlotte, N. C.
Branch 813 Central Union Bldg., Columbia, S. C.
represent 75 insurance companies.
Casualty, Automobile, Surety, Fire, Inland Marine

OHIO

WALTON A. WOODLING

ATTORNEY—ADJUSTER
Prompt personal service in adjustment and
investigation of Casualty Claims. 13 years'
experience.
1003 Akron Sav. & Loan Bldg., Akron, Ohio
Phones: Office, Blackstone 9167; Night and
Holidays, Blackstone 1937.

CALVIN B. MECK

Attorney Adjuster
Equipped for investigations, adjustments and
trial of insurance cases over North Central
Ohio.
216½ S. Sandusky Ave.
Phone 5188 Bucyrus, Ohio

INSURANCE SERVICE

of CANTON, INC.
819-20 Renkert Building
J. A. Anderson, Manager
S. R. Detweiler, Adjuster
CANTON, OHIO
Phone: 5167—after 6 P. M. 3-4411

M. M. WELSH

1216 First National Bank Bldg., Cincinnati, Ohio
Phone Parkway 1890—Night & Holidays East 8990
With associate staff and legal service.
General Adjusters for the Companies
Heretofore representing and succeeding to the business of
VAN-REED & CO. (C. L. Harris & Co.)
Operating throughout Ohio, Northern Kentucky and
Southeast Indiana.

JOHN H. McNEAL

502 Auditorium Bldg., 1367 E. Sixth St.
CLEVELAND
Phone Main 1928
Attorney-at-Law
Facilities for Investigations, Adjustments and
Trial work over Northern Ohio

DAVID H. THOMAS

ATTORNEY—ADJUSTER
50 E. Broad St.
COLUMBUS
Phone Adams 1536
Prompt investigation and adjustment service
over Central Ohio.

GEORGE H. LEWIS

1723 Nicholas Bldg.
Toledo, Ohio
Fidelity & Cas. Co., Mass. Bonding Co., New
York Casualty Co. and others.
Equipped for Investigations, Adjustments,
Settlement of Claims. All North-Western
Ohio.

OKLAHOMA

Attorney-Adjuster
Davidson & Krueger
1622-23 Petroleum Building
Oklahoma City, Oklahoma
Formerly staff adjusters. Members of
Oklahoma Bar

C. R. WACKENHUTH

ADJUSTER
1205 East 32nd Street
Phone 2-5400 Tulsa, Okla.

OREGON

J. B. PFOUTS

607 Board of Trade Building
Portland, Oregon
Adjusting and investigating all automobile
and all casualty and surety claims.
Member Oregon Bar

TENNESSEE

HUTCHISON & McKELVY

1113 Independent Life Building
Nashville, Tennessee
Serving Tenn., Ky., Ala.
Prompt, Efficient. All lines.

TEXAS

Homer E. Sanders

503 Republic Bank Bldg.
Dallas, Texas
General Accident Fire & Life Assur. Corp., and Royal
Indemnity Company and others. Specializing in
Casualty adjustment, investigations and settlement of
claims.

UTAH

NICHOLS ADJUSTMENT

BUREAU
404 Scott Building Suite 4 Ross-Davis B
Salt Lake City, Utah Pocatello, Idaho
Investigations and Adjustments
Representing Companies Only—All Lines
Operating Everywhere Inter-Mountain
Territory

VIRGINIA

NICHOLS COMPANY

INSURANCE ADJUSTMENTS
Representing Companies Only—All Lines
Mutual Building, Richmond, Va.
110 W. Fall Mall St., Winchester, Va.
Title Building, Baltimore, Md.
Woodward Building, Washington, D. C.
Prompt and Efficient Service Since 1922

WASHINGTON

E. B. WILKINS J. A. MILO
WILKINS AND MILO
—Investigations and Adjustments—
Automobile and All Casualty Lines
Specializing in Liability Claims
Members Washington Bar Association
419 INSURANCE BUILDING, SEATTLE

WISCONSIN

NURNBERG ADJUSTMENT CO.

General Adjusters
Fire, Windstorm, Hail, Automobile, Casualty,
and Inland Marine
Underwriters Exchange Bldg.
MILWAUKEE
525 N. Broadway Phone Daly 8828
BRANCH OFFICE: ANTIGO

The National Underwriter

January 2, 1936

CASUALTY AND SURETY SECTION

Page Twenty-five

Auto Death Toll for Year 36,000

Travelers Survey Shows Rate of
Death Per Accident Up
Seven Percent

MISHAPS NUMBER 828,000

Driving Errors Responsible for Two-
Thirds of Fatalities; 130,000 In-
jured Due to Speeding

HARTFORD, Dec. 31.—Although deaths from automobile accidents in the United States this year have numbered approximately 36,000, about the same as in 1934, the rate of death per accident has increased nearly 7 percent, according to a preliminary summary of the year's experience compiled by the Travelers.

Close to 16,000 pedestrians lost their lives in automobile accidents during the year, according to the summary, and more than 9,000 persons were killed in collisions between cars.

Greater Carelessness

Driving errors were involved in two-thirds of the 828,000 automobile accidents reported. This experience compared with the year before indicates greater carelessness among drivers. Almost 24,000 of the total deaths resulted from accidents involving careless actions of operators.

Although only 23 percent of the accidents assigned to driving errors were due to "exceeding the speed limit," deaths from this cause amounted to 31 percent of all fatalities resulting from improper motoring practices. More than 7,300 persons were killed during the year in accidents in which operators exceeded the speed limit, and 7,400 were killed in accidents in which operators drove on the wrong side of the road and failed to grant the right-of-way. Nearly 3,500 persons met death when cars went off the roadway and 3,100 were killed in accidents involving reckless driving.

Dangerous Driving

More than 560,000 of the total of 864,000 persons injured non-fatally during the year were the victims of accidents involving dangerous driving practices. Approximately 130,000 persons were injured in accidents in which drivers exceeded the speed limit and about 240,000 were injured in mishaps in which drivers operated on the wrong side of the road and failed to grant right-of-way.

More than 250,000 pedestrians were hit by cars during the year. Approximately 76,000 were struck while crossing streets at intersections and 66,000 were struck while crossing streets in the middle of the block. Thirty thousand were injured, 1,100 of them fatally, when they darted out into streets from behind parked vehicles, and 4,000 were involved

(CONTINUED ON PAGE 31)

Discuss Insurance Courses

Educational Aspects of Business from University Point
of View Considered by Association of University
Teachers of Insurance at New York

NEW YORK, Dec. 31.—Whether a university, in enlarging its insurance courses, should do so by means of broad courses giving a survey of the entire field of insurance or should add courses giving advanced work on some phase of insurance already studied in a general way, was discussed at length at the annual meeting of the American Association of University Teachers of Insurance. The other major topic was "How can universities and university teachers best serve in their fields?"

Outside of universities with large insurance departments, like the University of Pennsylvania, Columbia, and New York university, faculty members who teach insurance must be given the choice in allotting their time between broad survey courses and the more specialized advanced courses. Increased interest in insurance subjects and larger attendance at universities make it certain that there will be a demand for expansion of insurance courses. The question is, in what direction shall it be?

Stresses Broad Training in Business Fundamentals

The desirability of broad training in the fundamentals of business was stressed by Prof. H. J. Loman, Wharton School of Commerce and Finance, University of Pennsylvania, who outlined a program of study for students specializing in insurance.

"I am inclined to the view that a comprehensive training is infinitely more valuable than narrow specialization and unqualifiedly subscribe to the idea that we should not attempt to turn out mere insurance technicians but persons trained in the fundamentals of all business. . . . Are we trying to train men well grounded in the entire field of business, men who understand the principles of business administration, men who understand the interrelationship of the various parts of our economic structure, who have high ethical and social concepts, a professional attitude toward their work, men who are leaders of thought in their chosen field, or are we training insurance technicians?"

Some Specialization Is Educationally Desirable

The broad training program, Professor Loman declared, not only produces men with broader vision and capacities but it also avoids two dangers: that a student will spend his time in studying routine operations which can be learned better in practice, or that he will specialize intensively and extensively in one thing and later find his life's work is in something else.

"However, I believe it is educationally desirable to include some specialization in a college course," said Professor Loman. "In determining the exact nature of this specialization in a business administration course one should contemplate the kinds of positions which college graduates might obtain. For in-

stance in insurance if we eliminate the highly technical field of actuarial science the graduates are likely to follow one of two kinds of activities. Either they become insurance underwriters or they enter insurance company agencies or home offices with the intention of working up to supervisory or managerial positions. In either event their duties call for the giving of business and personal advice and the making of business and personal decisions that are of momentous consequence to the persons affected. Moreover, it is from these groups that the insurance executives, administrators and leaders of tomorrow are to be chosen.

All Graduates Are Not Going to Be Executives

"In this connection it might be remarked that much has been said and written to the effect that the purpose of a college education is to train for leadership. This ideal is excellent but certainly it should not be the sole objective of business administration courses. We may as well be realists and recognize that not all of our graduates are going to be executives, many do not possess the necessary qualities to be moulders of thought and in any event they are not likely to be either for some considerable time after graduation. Therefore we should give them a training which will enable them to render service of a professional character and pursue the paths which lead to important managerial and executive positions as well as to intelligent influence in civic and business affairs."

The problem of the content of a general course on insurance for students not specializing in insurance is best solved by approaching the matter from the viewpoint of the insured rather than the viewpoint of the insurance carrier or its representatives, said Robert Riegel, professor of statistics and insurance, University of Buffalo.

Problem or Case Method Is Neglected in Teaching

"By giving primary consideration to subjects and divisions of subjects which will be most useful to the policyholder and putting in the background the interests of the insurance carrier, we will arrive at a content which is appropriate for this type of course," said Professor Riegel. "The average individual is a buyer and not a seller of insurance, and he wishes information which will benefit the buyer. The textbook, the lecture, the problem method all have occasionally been emphasized as pedagogical methods, but a good teacher uses a combination of all three. Each has peculiar advantages and the maximum results are secured when they are used in conjunction. Of the three, the one which has been the most neglected in insurance teaching is probably the problem or case method."

Prof. A. H. Mowbray, University of
(CONTINUED ON PAGE 31)

Meet to Discuss Auto Cover Rules

Series of Conferences to Be Held
with Various Industries
Affected

MAKE NEW REQUIREMENTS

Public Liability and Property Damage
Responsibility to Be Imposed on
Carriers April 15

WASHINGTON, D. C., Dec. 31.—Representatives of the National Association of Insurance Agents met with H. L. Callanan of the bureau of motor carriers of the Interstate Commerce Commission here to discuss rules and regulations to apply to the public liability and property damage responsibility to be imposed upon motor carriers April 15.

The meeting was one of a series of conferences which is being held by Mr. Callanan with the various industries affected by the motor carrier law. Representatives of the National Automobile Underwriters Association will discuss the subject with him Jan. 8; other organizations have been consulted during the past several weeks.

New Requirements

Under Section 215 of the law, motor carriers will be required to furnish security for the protection of the public either through insurance, adequate bond or the furnishing of proof of ability as a self-insurer. They also will be required to protect property in the same manner. Personal and property protection are mandatory under the law, which also leaves to the discretion of the bureau the imposition of cargo protection; no decision has been reached as to this latter, but it is anticipated that cargo coverage will be required.

In conferring with the insurance and other interests involved, Mr. Callanan is asking for suggestions as to the rules and regulations which must be issued within the next few months, and recommendations as to the limits to be required under the policies and the forms of bond and minimum qualifications of those making application for self-insurance, including the financial qualifications.

Commission Makes Study

It is the effort of the commission to secure the advice and counsel of those who will participate in this phase of its work so as to promulgate intelligent regulations which will meet with less objection than if it went ahead and drew up arbitrary rules. A study of the subject was initiated some weeks ago, with officials of the bureau making a trip through a number of states to secure first-hand information.

In undertaking this phase of its task of regulating the motor carriers, the
(CONTINUED ON PAGE 31)

Expect Accident Business to Have Higher Loss Ratio

AUTOMOBILE IS RESPONSIBLE

Company Official Says 50 Percent of Death Claims Are Due to Automobiles

The automobile will cause accident insurance companies to show an increase in loss ratio this year over 1934. While the increase in every case will not be large, the increase will still be there, due mainly to deaths resulting from automobile accidents.

"We just can't get away from them," said one company official, pointing out that out of every 10 death claims, about 6 were due to automobiles. "You can safely say that at least 1 out of every 2 death claims is an automobile one."

There is one bright spot in the picture, however. Underwriters are happy over the fact that principal sums today are small in comparison to what they were 10 years ago. They hesitate even to contemplate what the 1935 loss ratio might have been with the old \$10,000 or \$25,000 principal sums instead of the \$1,000, \$2,500 and \$5,000 policies today.

Volume Is Larger

The accident volume in all likelihood will show an increase for the year. The business, although rather spotty in the commercial line, has held up remarkably well and in practically all cases will show a slight increase for the year. There have been months this year when the volume slumped considerably only to show a large increase in other months. It has been more seasonal than usual this year and at times has rather worried underwriters.

The industrial business, on the other hand, while seasonal, was rather level for the year and has been increasing steadily, although slightly. Most companies report that their industrial accident business for the first 11 months of the year is either equal to, or slightly above, the 1934 figures, with the December business largest for the year.

Underwriters are of the opinion the public is once more beginning to take accident insurance and that the volume for 1936 will show still a larger increase. However, they are hoping that the safety campaigns will have a material effect in cutting down fatal automobile accidents so that the loss ratio will be able to take a drop instead of a jump next year.

Cites National Surety Success

NEW YORK, Dec. 31.—Touching upon the experience of the department in the rehabilitation of companies taken over under the provisions of an amendment to the insurance law enacted in 1933, Superintendent Pink, in the course of an address before the National Conference on Debtor Relief Laws here last Saturday, said in part:

"The first successful reorganization was that of the National Surety Co. This was not primarily a mortgage company although the guaranteeing of mortgage bonds was probably the chief cause of bringing the company into the hands of the state. This company was one of the largest surety companies in the world. It did business in every state. It had an experienced agency staff which controlled business everywhere. It had good will. It had a continuing business. In order to conserve these for the benefit of creditors a new company was formed out of the assets of the old for the purpose of continuing the business and preserving the going value of the concern. The new National Surety Corporation, born out of the ashes of the old, has been a success."

The department, he added, has received offers for the new National Surety of approximately twice the net assets put into the company.

AUTO SAFETY

LANSING, Dec. 31.—Gradual elimination of high-accident drivers in Michigan is seen as a probable result of the establishment, announced during the past week by O. S. Atwood, secretary of state, of a central violations bureau in his motor vehicle division. A permanent driving record of every Michigan motorist who runs afoul of the law or participates in an accident in which casualties result will be made available. Reports of all traffic violation convictions will be made to the new bureau and all law enforcement officers will report in detail all accidents in which injuries or deaths occur.

* * *

Denver—Under the new uniform safety code which becomes effective in Colorado Jan. 15, drivers must pass examinations and every auto must be given an inspection twice a year.

The safety campaign for 1936 has been started with a huge parade, sponsored by the Junior Chamber of Commerce. There were 50 floats pointing out lessons in safety. E. T. O'Brien, prominent Denver insurance man, was in charge of the parade.

* * *

Little Rock, Ark.—Local agencies have been carrying advertisements in daily papers in the interest of safe driving. A page advertisement entitled "I am Death! I'm riding the running board of your car!" was published jointly by the Mortgage Loan & Insurance Agency, United Corporation, Rightsell-Collins-Barry-Donham, Coates & Raines and John R. Hampton & Co.

* * *

Minnesota—Drunken driving in Minnesota has increased sharply this year, G. W. Carmichael, state drivers' license director, announces. Between March 1 and Dec. 1, there were 732 licenses canceled for this offense, an increase of 100.

* * *

Louisiana—Recommendation of a uniform state traffic code for all cities in the state and a periodical inspection of all cars was made by J. J. Hall, director National Bureau of Casualty & Surety Underwriters, New York, before the New Orleans Insurance Exchange. He blamed careless drivers and lax enforcement for the large death and injury toll on highways. The bureau, he said, is a rate making body for 40 companies doing 70 percent of the business.

* * *

Automobile smashups in Virginia this year have taken more lives than murdered or killed in course of employment last year, Robert Lecky, Jr., well known Richmond agent, pointed out in a letter to State Motor Vehicle Director J. Q. Rhodes. Speeding is the principal cause of auto fatalities. He suggested recommendations be made to the legislature, which meets in January, to amend law so 45 miles an hour at night would be considered careless and reckless driving, so suspension of jail sentence or remittance of fines for careless and reckless driving be specifically prohibited and to double state police force for the detection of traffic law violators, killing or wounding people. Virginia, he said, had 171 more fatal accidents than the national average in 1933, and more than 4,500 injured over the national average.

ACCIDENT PREVENTION ENGINEERING

R. F. Cavanagh of New York City, superintendent of the engineering department at the head office of the Fidelity & Casualty, calls attention to the fact that accident prevention engineering carried on by insurance companies is saving American industry millions of dollars by averting breakdowns and damages to machinery, elevators and boilers. Rigid inspection has cut down loss ratio and steam boiler insurance materially. This can also be said of elevator insurance. Last year the Fidelity & Casualty alone made 130,000 boiler inspections. Mr. Cavanagh says: "Several hundred major corrections were made to eliminate conditions regarded as dangerous. In only two in-

Auto Liability Situation Not Settled in Bay State

STILL HOLDING CONFERENCES

Submit Rates Which Provide Rider to Offset Hazards of "Rules of Road" Decision

BOSTON, Dec. 31.—The hazards set up in Massachusetts in consequence of the state supreme court decision in which the "rules of the road" were invoked as a defense, are still the subject of conferences between the legal and governing committees of the Massachusetts Automobile Rating & Accident Prevention Bureau and Commissioner Francis J. De Celles.

The decision of the court, holding that a violation of the rule of the road is prima facie evidence of negligence under the compulsory auto liability insurance act in consequence of which a guest rider no longer has to prove gross negligence to recover, was reviewed in THE NATIONAL UNDERWRITER of Dec. 26. The bureau has now submitted a rate proposal to the commissioner which, although outside his jurisdiction except as it relates to the statutory form of policies, will provide coverage in the form of a rider to offset the hazards revealed by the court decision. Companies writing this line of insurance in Massachusetts were officially informed on Monday of the action taken. Meanwhile, according to the commissioner, there is much difference of opinion in the absence of previous experience as to what the rates should be for the new risk.

Bill to Be Introduced

The commissioner expects that a bill will be introduced to the incoming legislature which will modernize the law of the rule of the road by amending section 5 of chapter 89 of the general laws. When this law shall have been passed offsetting the effect of the recent decision, the companies will then cancel the riders which in the mean time may have been written on a pro rata basis. This legislation will be hurried as much as possible.

The auto liability problem in insurance circles, however, is by no means fully settled. The commissioner points out that some of the companies are not showing a proper spirit of cooperation with respect to agents' and brokers' commissions, and are trying by indirect means to rid themselves of some of the less attractive risks at the expense of other companies.

As an indirect result of the situation in Massachusetts, the commissioner has received notice that the United States Casualty has decided to withdraw from the state on auto liability insurance lines on and after Jan. 1.

Calvin A. Palmer, former Michigan commissioner, Jan. 1 assumed his new duties as director of the traffic violations bureau of the Detroit traffic court.

Must Pay \$2,000 on Trick Glass for Diamond Theft

ST. PAUL, MINN., Dec. 31.—The St. Paul-Mercury Indemnity must indemnify the owner of a \$2,000 diamond stolen by the old handkerchief trick, the state supreme court has decided. The diamond was stolen from the Citizens Loan & Investment Co., St. Cloud, when a supposed customer asked to inspect it. While polishing the stone with his handkerchief, it is alleged he substituted a worthless piece of glass for the diamond. The indemnity company contested payment on the ground that its policy covered only outright robbery and not theft by trickery.

Recommends O. L. & T. Cover to All Member Associations

The legal committee of the New Jersey Building & Loan League has recommended to member associations that where they have a status of owner or landlord they carry public liability and property damage insurance. The absence of a statutory necessity to insure, according to the committee, would not, in itself, justify the failure of an association to exercise prudent and reasonable precaution in safeguarding their assets against possible liabilities that may be considered within the realm of contingencies to be anticipated. However, insurance costs should not be thoughtlessly incurred.

The committee presented a number of conclusions to the general question: "Under what circumstances incident to the ownership of real estate may a building and loan association become subject to loss or liability that may be insured against under the usual standard form of owner's, landlord's and tenant's public liability and property damage insurance policies?"

Named General Manager

The Midland Casualty of Omaha has appointed L. A. Dillavou general manager. Mr. Dillavou was formerly connected with the Union Mutual Casualty, and his chief task with the Midland will be to develop sales by mail. C. S. Nelson has resigned as president to take up field work and has been succeeded by James M. Jensen.

Speedy Loss Settlement

Within six hours after the robbery of the First National Bank of Fort Lee, N. J., the American Surety's check for the full amount of the loss, \$15,815, was on its way. Only the bank's compliance with the surety company's loss prevention methods prevented a larger loss, the company stated.

Bankers Report Experience

NEW YORK, Dec. 31.—Replies from 767 banks in Texas to a questionnaire from the Texas Bankers Association as to their insurance premiums and loss collections in 1934, revealed the following totals: Premiums for burglary insurance, \$92,491, losses \$46,511; fidelity bonds, premiums, \$94,597, losses, \$4,200; banker's blanket bonds, premiums, \$466,607, losses, \$52,315. These figures, according to the association, vary from those prepared by the insurance companies.

have corrected or assisted in correcting many cases of serious vibration, which might have resulted in bad accidents. The value of equipment in these instances ranged from \$25,000 to \$200,000, the average being about \$500,000. More important than possible property damages, there were in some cases the chances of human injuries or deaths, as a result of machinery accidents."

Tax Appeal Board Rules on Reserves

Equitable of New York Appeals
Deficiencies Set by Revenue
Commissioner

ENTITLED TO DEDUCTION

Defines Reserves Under State Laws as
Conforming with Federal Revenue
Act Provisions

WASHINGTON, D. C., Dec. 31.—Further definition of the extent to which accident and health policy reserves required under state laws are in conformity with the requirements of the insurance provisions of the federal revenue acts was announced by the United States board of Tax Appeals in an opinion covering the appeal of the Equitable Life of New York.

The company had appealed from deficiencies determined by the commissioner of internal revenue, all of which hinged upon whether certain so-called reserves required by state laws are reserves required by law within the meaning of the revenue acts.

The company, in compliance with state laws, maintained a reserve in respect to its noncancellable accident and health policies, the purpose of which was to hold the excess of the net annual premiums over the annual claim costs of the earlier years of such policies against the excess of the annual claim costs over the net annual premiums of their later years. The board held this to be a reserve required by law under the revenue acts and that the company was entitled to a deduction of 4 percent on the mean of the reserve held by the company at the beginning and end of the taxable year.

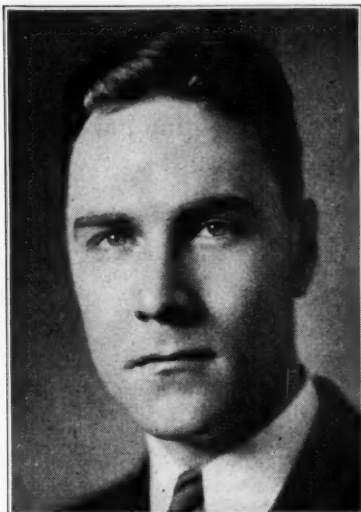
The company also maintained a reserve in respect to its cancellable and noncancellable accident and health policies, 10 percent of which was to provide funds for the payment of accrued benefits in respect to accidents and sickness which occurred and began in the past, and 90 percent to hold funds in reserve for benefits that might become due in the future in respect to indemnity payments in case the disabled policyholder survives and the disability is permanent. The board held that 90 percent of the fund was a reserve required by law and the company was entitled to a deduction, but that the commissioner erred in allowing a deduction in respect to 10 percent of the mean of the reserve.

Virginia Takes Precautions Following Bad Bus Accident

To prevent recurrence of accidents similar to the one in which 14 persons lost their lives when a bus of the Atlantic-Greyhound Lines plunged through an open drawbridge near Hopewell, Va., and sank in icy waters of the Appomattox river, the state highway department is preparing to install additional safety appliances on all draw bridges in the state. Investigation failed to arrive at the cause of the accident, showing that the driver, L. G. Alford, was in good physical condition and there was no evidence of over-time service. There were no mechanical defects in the bus and the brakes had been applied. The bus was running slowly. American Fidelity & Casualty was on the risk.

It is expected the Virginia assembly will enact a law at the session opening early this month requiring all motor

Professor



JAMES C. O'CONNOR

James C. O'Connor, editor of the "Fire, Casualty & Surety Bulletins" of THE NATIONAL UNDERWRITER, has become a member of the faculty of the school of commerce of the Chicago Y. M. C. A. He will give instruction in property insurance for 18 consecutive weeks, his classes congregating at 5:50 p. m. every Tuesday. Mr. O'Connor, a lawyer, writer, practical insurance man, now enters the regular educational field. He has appeared before many insurance audiences.

vehicles to come to a full stop at approaches to bridges equipped with drawspans.

Plan Adapted to Federal Old Age Benefit Statute

Formal approval of an annuity plan for the employees of American Mutual Liability and its affiliates, American policyholders and Allied American Mutual Fire, is given by the Massachusetts insurance commissioner.

It is the first company in Massachusetts to set up a plan providing a means of assisting employees in the later years of life which is adapted to conditions under the federal old-age benefits law. Study of a plan has been under way for several years in line with the company's policy of helping employees meet the unavoidable hazards of life. The original plan has been altered to provide a supplement to federal old-age pensions as well as a substitute for them if they are declared unconstitutional.

Open a Voluntary Basis

Membership in the American Mutual Annuity Association is open on a voluntary basis to all employees who have completed 12 months' employment. Members will contribute 3 percent of their salary up to maximum annual contribution of \$300, and the company will contribute an additional 2 percent. However, the payments of the company may be reduced by the amount of such taxes, premiums or other obligations for old age benefits, pensions, or retirement annuities as required by law. In the event of such reduction, payments by employees will automatically be reduced so that company payments still will amount to two-thirds of the employee contribution.

All payments will be collected in a single fund to be invested by six trus-

tees who include three officers or employees and three directors. At least 60 percent must be invested in securities which a Massachusetts life company legally may hold, while various restrictions govern the handling of the remaining 40 percent. Any increase of the fund through appreciation of securities or interest or dividends received in excess of the contributions less any desirable reserves will be credited proportionately to the account of each member at the end of each year.

Provisions for Retiring from Service

Any member who retires or leaves the service of the company after the age of 60 in the case of a woman and of 65 in the case of a man can use the credit balance standing to his account in four ways. An annuity payable monthly for the life of the member may be purchased, or such an annuity with the provision that in case of his death before receipt of the total amount to his credit, the remainder shall be paid to his estate. Or such an annuity payable during his life and also during that of another person he may designate. At the option of the trustees, but at the request of the member, he may receive the entire amount in a lump sum or in installments.

Should a member die after retirement age while still in the employment of the company, his credit balance will be paid to his estate or to persons designated by him. A member may withdraw from the association at any time, but unless he leaves the employ of the company or dies, his contributions remain in the fund. However, should he die or leave the employ of the company before retirement age, he or his representatives will receive his payments plus earnings of the fund, unless he has been with the company 25 years, when he is entitled to the total sum standing to his credit.

Avoids Questionable Features

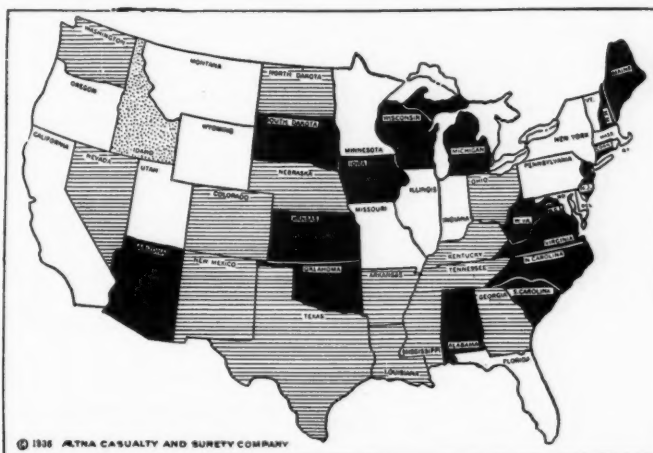
The plan avoids certain of the questionable features of the federal old-age benefit act. Participation is not compulsory in any sense. Funds collected under the plan will be in no way mingled with company funds, and cannot be involved in any circumstances affecting the company. The federal law provides for the inclusion of pension fund payments in the general fund, and relies on Congressional action to make benefit payments. This arrangement may work injustice in two ways: pension funds may be used for purposes other than those intended, with employees getting less than that to which they may be entitled; or it may open the door to a pension lobby seeking greater benefits than are justified.

Distribute Furnas' Article

Every automobile operator in Missouri is receiving with his 1936 license plate a copy of J. C. Furnas' "—And Sudden Death." As the Missouri commissioner of motor vehicles—V. H. Steward—sends out the new tags, this impressive reminder which has swept the country is accompanying each set of plates. Thus, at one stroke, 250,000 motorists will have placed in their hands the graphic safe-driving article which has caused more comment, since it was first published in "Readers Digest" last summer, than any other single safety effort. The article, in pamphlet form, is being provided by the Maryland Casualty as a result of plans made by Hobart A. Martin, its St. Louis resident vice-president.

Sayer Walline, son of Charles G. Walline, prominent Chattanooga, Tenn., local agent, has received an appointment to Annapolis from Congressman S. D. McReynolds.

Aetna Reports Death Toll



In this chart by the Aetna Casualty white states indicate decreases in automobile fatalities, black states indicate increases, lined states have not yet supplied adequate data for comparison, dotted states indicate no change.

The Aetna Casualty has issued its report on 1935 automobile fatalities. The company estimates the auto death toll for the first 11 months of this year to be 30,076, as compared with 30,821 for the same period in 1934. This represents a decline for this year of 745, or 2.41 percent.

A tabulation of telegraphic reports from state officials and compiled by the company follows:

DECREASE			
State	Mos.	1934	1935
California	10	2,246	2,205
Delaware	11	71	63
Dist. of Columbia	11	108	91
Florida	11	525	462
Illinois	10	1,888	1,640
Indiana	10	981	920
Maryland	11	491	477
Massachusetts	11	842	678
Minnesota	10	536	474
Missouri	10	755	669
Montana	11	186	143

State	Mos.	1934	1935
New York	11	2,629	2,609
Oregon	11	264	231
Pennsylvania	11	1,888	1,759
Rhode Island	11	98	80
Utah	11	166	164
Vermont	11	95	87
Wyoming	11	102	93

INCREASES			
State	Mos.	1934	1935
Alabama	10	418	468
Arizona	11	190	194
Connecticut	11	418	423
Iowa	11	516	519
Kansas	11	468	510
Maine	11	49	62
Michigan	10	1,228	1,312
New Hampshire	11	97	105
New Jersey	10	943	956
North Carolina	11	869	978
Oklahoma	11	461	473
South Carolina	11	236	260
South Dakota	11	100	129
Virginia	11	661	693
West Virginia	9	267	387
Wisconsin	10	619	643

When Can Poisoning Be Called Accidental Means?

By Stevens T. Mason
of the Detroit Bar

Every policy insuring against bodily injuries requires in its insuring clause that the injury must be sustained through accidental means. Some policies have provisions exempting from poisoning. These provisions are valid. Much has been written about accidental means as applied to various circumstances. (1 C. J. 425.) The question here discussed is whether death or disability from poisoning can be said to be the result of accidental means.

There are four ways that poison can enter into the system: Swallowing, entrance through a wound, inhalation and absorption.

It is obvious that drinking poison intentionally is not accidental. It is equally obvious that drinking poison by mistake is accidental. Likewise eating tainted food resulting in ptomaine poisoning is usually held to be accidental. (35 A. L. R. 737.) but disability resulting from excessive eating or drinking of ordinary food lacks the element of accident.

What Constitutes the Entrance Through Wound

Under this heading may be classified accidents from surgical or dental operations. (59 A. L. R. 1295 and previous annotations.) Also unexpected effects from the administration of novocaine or other drugs through hyperdermic injections. (Wheeler vs Title Guaranty & Trust Co. 265 Mich. 296; Taylor vs Insurance Company, 60 A. L. R. 595.) Blood poisoning contracted by professional nurses or physicians through abrasion in the skin (56 A. L. R. 871 and previous annotations.) Bite or sting of insects (9 A. L. R. 529). Such occurrences are, as a rule, classed as accidents.

These two means of poisoning present difficult and often troublesome problems. In cases where the inhalation has been held to be accidental there is always some fortuitous event present. For instance, where the tubercular condition of a foundry employe was due to breathing fumes and gas when trapped in a furnace by a falling door. (Industrial Commission v. Rice, 160 N. E. 484, 26 Ohio app. 497.) Where an underground miner quit work and sought to escape when a fire started in the shaft, but because of insufficient exits he was compelled to remain in the mine for 40 hours, suffering injury from gas and smoke. (Wirts v. North Butte Mining Co., 210 P. 332, 64 Mont. 279.) In both of these instances there was a fortuitous event.

Interesting Cases Are Found on Asphyxiation

Some interesting cases are collected in comprehensive notes in 11 A. L. R. 389 and 40 A. L. R. 52 on asphyxiation. Other cases are collected in 92 A. L. R. 164 on monoxide gas poisoning. These are in themselves fortuitous events.

Where the inhalation is gradual and not fortuitous it is not accidental. Such as sickness of an employe caused by emery dust settling in his stomach. (Moore v. Service Motor Truck Co., 142 N. E. 19, 80 Ind. App. 668.) Tuberculosis resulting from inhaling dust in grinding and mixing poultry feed. (Cambridge Manufacturing Co. v. Johnston, 153 A. 283, 160 Md. 248.) Silicosis or fibrosis of the lungs, suffered by a coal miner, due to habitually breathing an atmosphere full of irritating dust particles. (Williams v. Guest, Keen & Nettelfolds, (1926) 1 K. B. 497, (1926) W. C. & I. 148.) These are classed as occupational diseases. (71 corpus juris, 575.)

Most cases which deal with this subject are compensation cases. They are

Stevens T. Mason of the law firm of Mason, Davidson & Mansfield of Detroit, National Bank building, is one of the leading members of the Michigan bar and an attorney who has given much thought to insurance law. Mr. Mason and his firm act as attorneys for a number of insurance companies. Mr. Mason's contributions to the legal literature of insurance are regarded as authoritative.

misleading because compensation laws distinguish between accident and injury on the ground that every injury may not be accidental. An occupational disease is never covered under an accident policy without a fortuitous event. (Belleville Enameling & Stamping Co. vs. United States Casualty 266 Ill. app. 586.)

Lead poisoning is not accidental because it comes on by gradual absorption "little by little, drop by drop." (Adams v. Acme White Lead, Color Works, 182 Mich. 157; Mead Fiber Corp. v. Starnes, 247 S. W. 989.) Inhalation of septic germs is accidental if the occurrence is unusual, by chance or fortuitous. (Dove v. Alpena Hide & Leather Co. 198 Mich. 132.) But unless it can be traced to some definite event it is not accidental. (Basil v. Butterworth Hospital, 272 Mich. 437.) And don't forget that a chance happening, commonly called an accident, may occur otherwise than by accidental means. (Lawrence vs Massachusetts Bonding 174 Atl. 226.)

All Policies Require Notice as Specified

Furthermore, all policies require notice within a certain number of days after the accident—a provision which must point to a specific time. (U. S. Radium Corp. v. Globe Indemnity, 178 Atl. 271.) Although the authorities are not uniform it is reasonably safe to say that there must be a fortuitous event of some kind which can be traced to some definite day and hour in order to bring a case within a policy insuring against bodily injuries from accidental means.

The only way to determine whether or not poisoning is the result of accidental means is to examine the facts of each particular case. Was there an abnormal task on a definite time? Was there a fortuitous event? Or was it "little by little, drop by drop."

The most scholarly statement of the subject anywhere available is that of Justice Benjamin Cardozo speaking for the New York court of appeals in the case of Connelly vs Hunt Furniture Company, 240 N. Y. 83; 39 A. L. R. 868, when he said:

"Germs may indeed be inhaled through normal channels of entry. In such cases their inroads will seldom, if ever, be assignable to a determined or single act, identified in space or time. For this, as well as for the reason that the absorption is incidental to a bodily process both natural and normal, their action presents itself to the mind as a disease, and not an accident. Our mental attitude is different when the channel of infection is abnormal or traumatic, a lesion or cut. If these become dangerous or deadly by contact with infected matter, we think and speak of what has happened as something catastrophic or extraordinary, a mishap or an accident, though very likely a disease also."

This whole discussion is from a legal

standpoint. A careful underwriter seeks to avoid law suits even though they may be successful. A safe rule is not to write accident policies on persons who are likely to be exposed to occupational disease.

Alabama Attorneys Condemn Body Fighting Fake Claims

BIRMINGHAM, ALA., Dec. 31.—The campaign of the Anti-Racketeering Bureau of Birmingham to reduce liability insurance rates in Birmingham by ferreting out and punishing those responsible for fake damage suits has been condemned by the Birmingham Bar Association and the Birmingham Trades Council.

The lawyer's organization claimed that the campaign had cast aspersions on the bar including the great body of reputable lawyers and that Anti-Racketeering Bureau was conceived in Wall street and supported largely by claim adjusters and the National Bureau of Casualty Underwriters for the purpose of selling more insurance. The Trades Council representing union labor contended that the drive was designed to prejudice the minds of jurors.

The Bureau in reply disclaimed any intention of casting reflections on ethical members of the bar but pointed out that the bar association itself had just preferred charges against four lawyers in the city. The Bureau also stated that any evidence it worked up would soon be presented to the grand jury. It also pointed out that on account of the host of petty damage suits, liability insurance rates in Birmingham are among the highest in the county.

Paul Temple Paroled

ST. LOUIS, Dec. 31.—After Paul L. Temple, secretary of the defunct Prudential Casualty & Surety, had been sentenced to serve 60 days in jail and fined in accordance with a jury verdict, Judge Connor paroled the defendant for six months on the payment of the fine and costs of about \$200.

The jury in finding Temple guilty of a charge of making false entries in the books with intent to deceive the superintendent of insurance recommended that he be paroled.

Temple, W. M. Baldwin, president; Fred Kohl, its treasurer and M. M. Hines, assistant treasurer, were indicted in March, 1933. The charge was dismissed as to Baldwin last year and also dropped as to Kohl just before Temple's trial began.

BULLETIN

BOSTON, Dec. 31.—Commissioner DeCelles announced tonight that casualty insurance companies had agreed to issue automobile guest insurance covering accidents based on violation of rules of the road under the Gallagher decision, where no negligence was to be shown on the part of the driver, for \$6.50 a year per car, and that the companies had agreed to refund the premium pro rata if the legislature abolished the statute allowing guest riders to collect damages on this type of accident.

This new insurance has no connection with compulsory insurance and is entirely voluntary and no automobile owner need take it at all. The automobile owners now desiring full guest insurance coverage must pay \$3.25 for this coverage under former rulings with the additional \$6.50, making the total cost \$9.75 for full guest coverage.

The commissioner states the legislature by immediate action can save the automobile owners of the state more than \$1,500,000.

New York Alleged Auto Coverage Racket Ended

NEW YORK, Dec. 31.—A racket involving the fraudulent sale of automobile insurance and memberships in bogus automobile clubs which cost motorists here more than \$2,500,000 in the last three years was bared by Attorney-general Bennett of New York with arrest of six men and a woman. They are Joseph Mazzariello, John Loughran, Benjamin Levine, Herman Forkish, Sidney Blank, Jack Perlman, and Miriam Miller. All were said to belong to an automobile racket gang of 19.

Another leader of the gang is in jail serving a sentence on another charge, while a third escaped before police could arrest him.

Insurance policies sold by the gang in connection with the fake auto clubs were issued by legitimate companies, but instead of being liability and property damage policies as alleged in the sale, they were limited personal accident policies worth a premium of \$1.25 a year each according to John F. X. McGohey, assistant attorney-general in charge of the Bureau of Monopolies and Rackets. When the attorney general's office checked the list of garages stated by the auto clubs to be associated with them for service, none could be found which had ever heard of the clubs.

All that the victims received for their money was the limited accident policy, and mostly not even that, said Mr. McGohey, questions being met with the answer that the customer had misunderstood the salesman. Memberships in the two clubs, the American Automobile Service League, and the United States Motorists Association were sold for \$19.50 a year, or \$38.50 for two years.

Reduce Silicosis Surcharges in New California Schedule

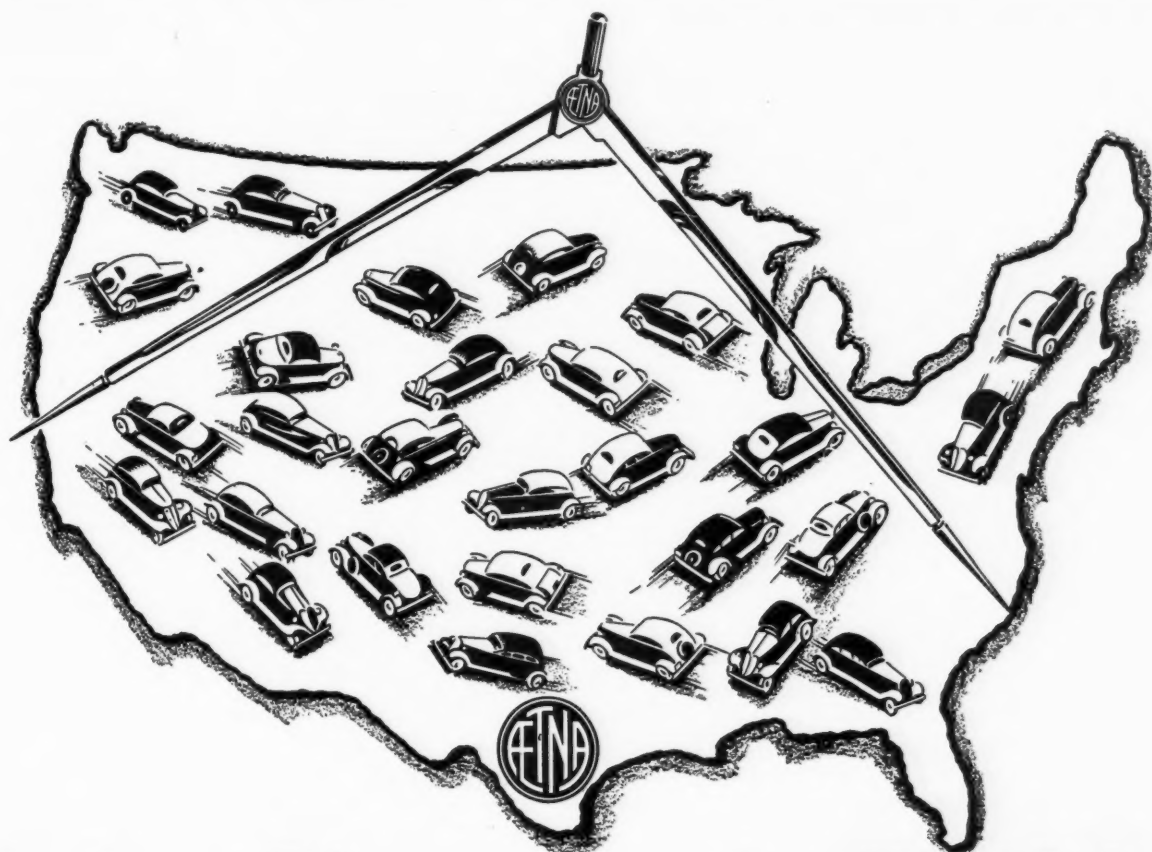
SAN FRANCISCO, Dec. 31.—As indicated last week, the Silicosis surcharges filed by the California Inspection Rating Bureau with Commissioner Carpenter and tentatively approved by him, have been materially reduced in the new schedule filed this week by Daniel W. Burbank, attorney for the bureau. The reduction, estimated at 30 percent, was made possible by joint agreement by National Bureau companies through Rollo E. Fay and the California Association of Insurance Agents through Frank Colridge, voluntarily cutting the 40.6 percent overhead and acquisition cost loading down 15 percent.

The action on part of agents and companies was the result of voluntary conferences at which the entire problem was considered. The cut does not affect basic compensation rates or commissions, the concessions applying only to Silicosis surcharges.

The rating bureau in its application states that surcharges will be maintained by companies in special reserves and be applicable only to the hazards covered, and that experience will be segregated and reported independently to permit future modification of surcharges.

Everett H. Taylor Dies

Everett H. Taylor, 56, former vice-president New York Casualty, died in Washington following an appendicitis operation. Funeral services and interment were in Baltimore. Mr. Taylor had operated general agencies in Washington and Baltimore for some time before joining the Maryland Assurance. When that company was merged with the Eureka Life in Baltimore, Mr. Taylor joined the New York Casualty, taking charge of the claim department. In 1929 the American Surety acquired control of the New York Casualty and Mr. Taylor became vice-president of both companies. He resigned in 1933 and later became an attorney of the HOLC, which position he held at his death.



Going Places with ÆTNA!

MORE and more motorists are "going places" nowadays. Trips of hundreds and even thousands of miles are commonplace events in many families. Hundreds of thousands of salesmen travel entirely by automobile. This is the "motor era".

In other words, there is greater need than ever for the wide scope of insurance protection *and service* as afforded by Ætna automobile policies.

To the assured, "going places with Ætna" means motoring with most of the worries and perplexities removed.

*"It pays to be
Ætna-ized"*

Pushing the Calendar Ahead

It is already Spring 1936 in the automobile industry. It should be Spring in the automobile insurance producer's calendar, too.

* * *

November automobile shows were a successful innovation, giving promise of greatly increased activity in the automobile industry.

This revival is further emphasized by the November production figures — 406,000 cars and trucks — five times as many as were produced during November 1934.

1936 production schedules call for a total of over 4,000,000 new automobiles during the coming year.

Four million sales opportunities for alert insurance producers!

BECAUSE the Ætna is so well and favorably known from coast to coast, Ætna representatives find sales resistance reduced to the minimum. There is no waste of time in "selling" the organization.

Its reputation as a *helpful* company is justified both by its unexcelled claim service and by its willingness to assist its producers to any reasonable degree.

Because of these things, Ætna-izers are splendidly equipped to "go places" during 1936 in the production of new and desirable automobile business.

*"It pays to be an
Ætna-izer"*

THE ÆTNA CASUALTY & SURETY COMPANY

affiliated with

THE ÆTNA LIFE INSURANCE COMPANY — THE STANDARD FIRE INSURANCE COMPANY
THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT

FIDELITY AND SURETY NEWS

Asks to Dismiss Judgment

Fidelity & Deposit Enters Petition in Nebraska Supreme Court in Case Involving \$25,000

LINCOLN, NEB., Dec. 31.—The Fidelity & Deposit of Maryland has asked the supreme court to set aside the judgment of \$25,000 secured against it by the state, and to dismiss the action. The state board of educational lands and funds, in buying bonds at a premium, has followed for years the practice of giving a check for the face value and allowing the brokers selling them to detach a sufficient number of interest coupons to pay the premium. Suit was for \$55,000, and judgment for the full amount was obtained, other defendants being former State Treasurer Bass and his bondsmen and Wachob, Bender & Co., brokers.

The original records of purchases mysteriously disappeared from the custodian, and the finding of the lower court was that the record kept by W. C. Oelkers, bonded by the Fidelity & Deposit, was conclusive that a greater sum had been detached than was to have been clipped under the contracts of sale. The company maintains that as Oelkers testified that the record was fictitious and kept so to mislead prying brokers and as the ledger sheets of the brokers and a memorandum of part of the sales kept by a member of the board, showed the state had suffered no such loss, the judgment should have been in its favor.

COMPANY DENIED REHEARING

LINCOLN, NEB., Dec. 31.—The Massachusetts Bonding was denied a rehearing by the state supreme court in eight cases involving a liability of \$11,000. The company had issued a bond as part of a certificate issued by the Drake lumber interests of Omaha, which guaranteed that certain described lumber, then in seasoning houses, would be delivered. Drake attached bills of acceptance to the document and sold them to Omaha banks. He later failed in business and the bills were not paid. The company insisted that as it had no knowledge of Drake's practices in attaching the bills of acceptance to hold it liable would be to require it to know all details of an assured's business. Later the company asked that the mandate be stayed and it be allowed to file a second motion for rehearing.

Mutual Surety Question

PIERRE, S. D., Dec. 31.—A dispute has arisen in this state as to the rights of mutual surety companies to write bonds for liquor dealers of this state. It appears that under a strict construction of the law only stock companies may write such bonds. In fact the liquor law was apparently drawn to so state, whether by intent or through oversight. But that is the construction which has been placed on the law as it stands by the attorney-general and the state liquor commission.

The first test came in circuit court in Sioux Falls, in which Judge Wall upheld the right of the Central West Mutual of Yankton, to write such bonds. The company wrote a number of the liquor dealers bonds for the past year. The case will be appealed to the supreme court.

Colorado to Sue

DENVER, Dec. 31.—State Auditor Bedford of Colorado has started a move to collect \$33,000 lost by the state in the failure of a New York bank, the attempt being made to collect on the surety bond of the state treasurer who was in office at the time of the failure. The action was precipitated by a decision of the state supreme court which held that a former county treasurer was responsible

for what his county lost in the same bank collapse. The old National Surety was on the bond. The state legislature recently passed an act releasing the treasurer of responsibility, but it is believed by some that this would also be ruled out by the state supreme court.

Approve "Hold Harmless" Bond

KANSAS CITY, Dec. 31.—The Kansas highway commission has approved a new "hold harmless" bond form for contractors on railroad over- and underpass construction along lines recommended by a committee of the Casualty & Surety Underwriters Association of Kansas City. The form more sharply defines the surety's liability for the contractor on such work. The committee was W. R. Evans, American Surety, chairman; H. J. Hudson, Central Surety, and Baxter Brown, F. & D.

Des Moines Club in Party

Members of the Des Moines Casualty & Surety Club held a Christmas party following luncheon. H. B. White, re-

tiring president as "Santa" distributed gifts drawn by members from a huge pack, most of the gifts being for children and immediately pledged to a Christmas fund for children arranged by radio entertainers. F. H. Noble, state manager American Surety, is new president and will preside at the January meeting.

Fidelity Bonds Check Losses

Those who study the question carefully recognize the fact that the best way to check crime is by preventing it rather than through punishment. Many people never do anything that is bad because they never had the temptation or the opportunity. The fidelity business is doing a great deal to check dishonesty because as bonding spreads it reduces the ultimate losses. If a bonded employee steals and gets away, he is marked and left with a stigma which is very difficult to remove. If later he ever needs to secure a bond for a new position, his past record may be uncovered, even if he goes to a different section of the country and changes his name. Fidelity companies, however, are liberal in case of losses, check for shortages and give the employee all the benefits of the doubt before labeling him a thief.

ACCIDENT AND HEALTH FIELD

Plans for 1936 Week Progress

Local Organizations Are Cooperating to Make Huge Accident and Health Drive a Success

Plans to put the 1936 Accident & Health Insurance Week starting April 20 over in a big way are being drafted by a number of local accident and health clubs. The 1935 results were record breaking, but it is anticipated the observance in April, this year, will show a new high in the annual observance. The Accident & Health Review sponsored the 1935 drive.

Many clubs have appointed committees to make special plans in their cities. Last year several clubs did fine work not only in making the accident and health business known to insurance men but to the general public.

Committees at Work

R. M. Rowland, National Casualty, is in charge of a special committee in Detroit which is working out plans there. Leslie Winslow, Fireman's Fund, has charge of the week's observance in New York City. He is also chairman of the New York Accident & Health Educational Committee, and among other things is planning to hold a special sales congress during the week as a part of one of the lectures in the club's educational course.

In Pittsburgh, under direction of W. E. Stumpf, United States Fidelity & Guaranty, accident and health men will enlarge on their activities last year, when they worked out window displays and obtained much constructive publicity for the business.

A special committee of the Chicago club, headed by E. H. Ferguson, Great Northern Life as chairman, is organizing a huge breakfast to take place Tuesday morning, April 21, to which will be invited all producers who have written one accident and health application the day before. This "breakfast" idea was worked out successfully by A. D. Anderson, Chicago, accident and health manager Continental Casualty, last year.

Activities on Coast

California, represented by the San Francisco and Los Angeles Clubs, is expected to continue the fine work done in past years in observing the week on the Pacific Coast. Five years ago the Los Angeles club, under leadership of W. E. Lebby, originated a state Ac-

cident & Health Insurance Week. The Pacific Coast clubs are always among the leaders in developing enthusiasm and doing educational work of this type. The Seattle and Portland clubs are expected to come through with special plans and events for the week, especially since Dwight Mead of the Seattle club is president of the National Accident & Health Association.

In Cleveland, where some of the most successful accident and health sales congresses have been held, definite plans have not yet been made but undoubtedly will include much of local advertising and educational work effectively carried out last year.

Accident Policy Popular

The Occidental Life of Los Angeles is featuring a life, limb and reimbursement policy which is proving very popular with the agents. The policy pays for loss of life and limb by any accident and reimburses the assured for all medical, hospital and nurse expenses up to \$1,000. No monthly indemnity is provided. This policy covers the major losses and expenses due to accident and is an excellent contract for housewives and unemployed women under age 50. A premium of \$30 per year or \$3 per month will provide protection of \$2,500 principal sum and \$500 reimbursement. It also includes the aviation cover. The automobile driving wives of thousands of business men are proving to be the best prospects for this policy.

Ben Balay Takes New Post

Ben W. Balay takes charge of the Jacksonville, Fla., office of the Inter-Ocean Casualty. He is the son of Burl W. Balay, auditor of the Inter-Ocean and formerly connected with the Indiana insurance department. The new manager, while considerably under 30 years of age, worked for several years in the claim department of the Old Trails Insurance Company in Indianapolis, and in 1932 went to the Inter-Ocean's home office, since which time he has done claim and statistical work.

Will Pay in Silver

The State Farm Mutual Fire, the State Farm Life and the State Farm Fire, all of Bloomington, announce that they will hereafter pay their employees in silver in order to put that currency into circulation. There are 680 people employed and there is a monthly payroll of \$38,000.

Workmen's Compensation

Oklahoma Increase 22 Percent

Board Orders Rates Be Constructed on Basis of 70 Percent for Losses, 30 for Expenses

The Oklahoma insurance board has ordered Manager F. F. Lason of the Oklahoma Compensation Bureau to prepare a schedule of rates producing an average increase of 22 percent in compensation rates distributed over several classifications which shall be individually treated according to needs of each. The board ordered that the rate for classifications applicable in Oklahoma be divided so that the portion used for losses be 70 percent of the gross rate and the expense portion 30 percent. Results of the 1934 calendar year show that 36.8 percent of the present rate was sufficient to defray the expense portion. Therefore 30 percent of the new rate should be sufficient. The board urged organization of a comprehensive service bureau to consolidate the claims, inspection and audit service necessary. The new rates become effective on all new and renewal business Feb. 15.

The original request was for an increase of 56.9 percent. The Associated Industries of Oklahoma, which represents a majority of the industries affected by the requested increase, protested the action. It held that no increase was justified. The order of the insurance board will not be contested, according to officials of the Associated Industries, and the 22 percent increase will stand.

Wants Proper Notice Given

MINNEAPOLIS, Dec. 31.—Companies writing assigned compensation risks in Minnesota are being urged by J. F. Reynolds, general manager of the Minnesota Compensation Rating Bureau, to notify policyholders at least 30 days in advance of expiration whether they intend to renew the policies. It is important to notify the employer whether or not his policy will be renewed so that, if necessary, he can apply to the bureau for a new assignment.

Success of Florida Plan

JACKSONVILLE, FLA., Dec. 31.—W. J. Armstrong, chairman of the workmen's compensation committee of the Florida Local Underwriters Association reports success in getting companies together on a "Voluntary plan for granting coverage to uninsured risks in Florida." Full details of this plan may be had from E. S. Vincent, manager of the Florida Compensation Rating Bureau, Lynch building, Jacksonville. It is a method for providing insurance on rejected risks after being refused insurance by at least four companies.

Extra Premium on Dealers

Some of the casualty companies, faced with an unfavorable record on the automobile dealers line, are demanding a premium greater than that developed by the regular payroll. One company, for instance, is adding to the regular payroll, an arbitrary \$2,000 of payroll for every auto dealers state license held by the assured. Practically every dealer has two or three. The larger ones have as many as nine. The number of licenses possessed can easily be checked through state records.

Another company requires the dealer to insure one or two cars independently of the regular dealer's policy, so as to produce additional premium.

The theory is that cars bearing a dealer's license are driven by dozens of different people and present a special hazard.

Auto Death Toll for Year 36,000

(CONTINUED FROM PAGE 25)

in accidents while walking along rural highways, 3,000 of whom were killed.

Nearly 3,500, or more than a fifth of the approximately 16,000 pedestrian deaths resulted from accidents occurring at intersections. A thousand deaths occurred when pedestrians crossed intersections against signals and 1,800 when pedestrians crossed at intersections which did not have signals. Pedestrian deaths in the middle of the block accounted for approximately 28 percent of all pedestrian fatalities. The number killed during the year crossing streets between intersections was in excess of 4,400.

Nearly 40,000 child pedestrians were automobile accident victims during the year, of which casualty toll more than 1,600 were killed. Fully half of all adult pedestrians killed in automobile accidents during the year contributed to their own death, it is indicated by the preliminary statistics, by failing to exercise due care.

COOK COUNTY DEATHS

Automobile accidents in 1935 took a death toll of more than 1,000 in Cook county alone. The death of a 53 year old woman on Dec. 29 brought the total up to 1,003. By far the largest number of fatalities in Cook county took place in the city of Chicago. During the period from Jan. 1, according to the coroner's office, there were 780 killed and 17,723 persons injured within the city limits.

Meet to Discuss Auto Cover Rules

(CONTINUED FROM PAGE 25)

bureau realizes that motor carrier insurance in the past has been an unsatisfactory experience for the underwriters. However, under the law, the bureau will have jurisdiction over the equipment and practices of the carriers and is expected to clean up some of the unsatisfactory elements which have tended to make the insurance unprofitable. Motor carrier insurance will be an extensive business, it is indicated, with premium totals probably exceeding \$100,000,000 a year when all carriers are covered.

Topics Discussed

Among the chief topics discussed at the conference were standards for transportation companies liability and property insurance, policy limits, forms of coverage deductible and excess, premium rates, certificates and endorsements, self insurance, the amount and kind of securities to be used in place of bonds, acquisition costs and foreign coverage and cancellations. Cargo insurance on mail and express was taken up, also coverage on baggage of bus passengers. The Motor Carrier act requires motor carrier brokers to be bonded and this matter received attention at the conference. Certain recommendations were made on all subjects but no definite action was taken.

Employers Convention Held

The annual sales convention of the Employers' of Birmingham, with agents from Alabama and Tennessee, was held in Birmingham. Presiding over the meetings was W. H. Hoover, president, and G. W. Hoover, general sales manager, and L. H. Henry, secretary-treasurer. The report of the president showed that business in 1935 registered a sharp gain.

H. H. McCormick, personnel manager, Los Angeles branch office Travelers, celebrated his 15th anniversary with the company, during which period he was associated with its agencies in Minneapolis, and Oakland, Cal., prior to going to southern California.

AETNA LIFE'S PRIZE WINNING FLOAT



The Aetna Life's float in the Connecticut tercentenary parade in Hartford won first prize in the insurance group. It was designed, built and manned entirely by home office employees. It represented Mark Twain and the Connecticut Yankee at King Arthur's court. On the right Mark Twain is portrayed.



DISCUSSION OF INSURANCE COURSES

(CONTINUED FROM PAGE 25)

California, concluded in his paper, read in his absence by Dr. David A. McCahan of the University of Pennsylvania, that a course for students not specializing in insurance should be confined to general principles common to all branches of insurance with a minimum of consideration of details of practice.

He suggested that there should first be presented a picture of the economic burden imposed by risk and with it evidence of the stability of masses, popularly called the law of large numbers, leading to the conclusion that the insurance contract should be a contract for the transfer of an individual's risk in order that it may be combined with others and eliminated as risk. A review of contracts in various fields of insurance would follow as examples confirming the conclusion.

Professor Mowbray also suggested that the facilities for furnishing the public with insurance information be next considered, setting out the essential characteristics of several types of carriers and other features of the insurance market. Then the problems of insurance as they appear to the carriers would be taken up. State supervisor and social insurance would also be touched upon.

Speaking on how universities and university teachers can best serve in their fields, Vice-president G. F. Michelbacher, Great American Indemnity, advocated as an innovation a system of utilizing other divisions of the curriculum. Under such a system, a prospective claim executive might be sent into the law school, the department of physiology, and the department of psychology, for certain subjects and then, through seminar work, frequent personal conferences or some similar device, focus the knowledge previously obtained on the particular problems of the claim department of an insurance carrier.

Recommends Instruction to Give Sense of Values

A method of conditioning students of insurance to the fact that their future rows will not be easy ones to hoe was suggested by Mr. Michelbacher. He pointed out that in medical schools, law schools and schools of engineering this idea is inculcated. He also recommended instruction in business ethics and standards of personal conduct to give the student a proper sense of values

and a chart to guide him in the way he should go.

The suggestion that universities do not try to train specialists but give their students a broad and comprehensive grasp of the business was made by C. G. Taylor, Jr., third vice-president Metropolitan Life. He also commented upon the importance of developing in students the capacity so to interpret the business to policyholders that they may understand the company's viewpoint and understand that their interests are being fairly considered.

The need for developing the two contrasting qualities of imagination and the checking mind was stressed by Mr. Taylor. "It seems more important," he said, "to discover the mental qualities and characteristics of personality which influence a man's career than to emphasize the acquisition of information merely as a feat of memory. His qualities of mind and character can be discovered only by giving the student opportunity for expression of his own views, and this should be freely encouraged."

First Impressions Are Influenced by Speech

"Ample material exists, and fresh material can generally be found in the current trade journals upon which to base something akin to the case method of legal instruction. By this method the teacher has the opportunity not only to study the needs of his students, but also by demonstrating in a practical way the type of problem which the student will encounter in the actual work of the business to start him on his career with a correct and sane perspective and a good dose of humility."

Vice-president L. E. Falls, American of Newark, said that the insurance business needs men and women accustomed by habit to think for themselves—to think lucidly and analytically, unhampered by prejudice or precedent, and undaunted by knowledge that the problem is new and the way uncharted.

Mr. Falls stated that while first impressions are lasting, we make most of our first impression upon others whom we meet by our appearance and speech, and that speech can often take precedence even to the point of overcoming the impression made by appearance. Paying tribute to the value of grammatical usage and good diction, Mr.

Falls held that these may be set at naught by poor articulation.

He cited examples of outstanding public speakers who rely upon articulation for the impressiveness of their addresses, and urged that universities and university teachers, by precept and example, inculcate in the undergraduates the habit of clear articulation in all recitations, and at the same time encourage and insist upon precision of expression. He expressed his gratitude to the law for continuing to uphold a standard in this, stating that precision in oral and written intercourse is ignored by so many people that the wonder is that we ever definitely understand each other.

Prof. F. G. Dickinson, University of Illinois, said he believed that for the next few years university teachers of insurance will find an even more important function than teaching the guidance of insurance officials and legislators in the revision of insurance laws.

Superintendent Pink of New York was speaker at the luncheon meeting. The sessions were conducted by Prof. R. H. Blanchard, Columbia University, president of the association.

Following are the officers for the new year, all except Professor Partington being reelections:

R. H. Blanchard, president, Columbia University; H. J. Loman, vice-president, Wharton School, University of Pennsylvania; F. G. Dickinson, secretary-treasurer, University of Illinois; executive committee: S. S. Huebner, past president, Wharton School, University of Pennsylvania; E. L. Bowers (1937), Ohio State University; Robert Riegel (1936), University of Buffalo; J. E. Partington, Iowa State University.

Asks Company Liquidation

At a hearing set for Jan. 6, officers of the American Lloyds Mutual, Omaha, must appear in district court to show cause why the company should not be liquidated. The petition was filed by Commissioner Smrha. Smrha charges that the company has \$1,000,000 liabilities and that, although it agreed to a \$3,375 settlement on one claim, it was unable to raise the cash with which to pay. His petition further asserts that all books and assets of the company should be turned over to the Nebraska department.

Noble T. Tongue of Baltimore, general agent of the Standard Accident, who for the last 47 years has been in the insurance business, died suddenly at his home last week. He was 80 years of age and was active in the business to the day before he was stricken.

Commission Issue Comes to Front

(CONTINUED FROM PAGE 1)

by which the wishes of the superintendent could be carried out without violation of the rules by which the members of the W. U. A. are bound and which can only be changed by vote at regular meetings, these occurring but twice a year. If the companies can find some way of reaching an agreement on this



ONCE you stay here
you will always stop
at the
NICOLLET
when in Minneapolis.

A friendly hotel that will make
you very comfortable . . .
. . . famous for its good
foods . . . rates you can afford.

**NICOLLET
HOTEL**
MINNEAPOLIS
W. B. Clark, Manager

**BARLUM
HOTEL**
WHERE OLD-FASHIONED
HOSPITALITY AWAITS YOU

DETROIT
CADILLAC SQUARE
BATES STREET

810
OUTSIDE
ROOMS
\$2
A DAY AND UP

point they are disposed to go very far in meeting the wishes of the superintendent. An effort is being made through telegraphic communication to get the vote of members.

The committee of companies states that whatever is done will be definitely and positively taken for the purpose of meeting the wishes of the department. The companies all along have endeavored to reach a reasonable compromise since the subject came up. They desire to go as far as they can with the agents but realize that they must abide by the rules unless a plan can be found to bring about an accord whereby the rules can be waived.

\$550,000 in Dispute

The amount involved in the commission dispute is about \$550,000. Mr. Street's committee had taken the position that under their contracts with the companies the agents were entitled to commissions on only that portion of the premiums retained by the carriers. However, Superintendent O'Malley has interpreted the peace pact of last May as to provide for payment of full commissions to the agents. He frequently told gatherings of agents throughout the state that they would be paid full commissions.

Treatise on Self-Insurance

A treatise on "Self-Insurance of Workmen's Compensation in Pennsylvania" by Howard M. Teaf, Jr., has been published in pamphlet form. It was prepared by Mr. Teaf in partial fulfillment of the requirements for the Ph.D. degree. He concludes that self-insurance has a well rounded place in industry as a means of dealing with certain risks and in some cases he contends it is more desirable than insurance. Chief requirements for sound self-insurance policy are a combination of a large number of independent risk exposures and adequate provision for losses. Nearly half of the total compensation payments in Pennsylvania are made by self-insurers although there are at present only 438 self-insurers. Self-insurance is found most commonly in the heavy manufacturing industries and coal mining.

Promotions Are Announced by Employers Liability

BOSTON, Dec. 31.—E. C. Stone, United States general manager and attorney for the Employers' Liability and president of the American Employers' and the Employers' Fire, announces that the following members of the home office staff have been promoted:

Accounts department—A. W. Reilly, supervisor credit division; E. L. Barrett, chief field auditor; John McDonald, accountant.

Actuarial and statistical department—E. T. Berkeley, superintendent; F. J. Carey, assistant superintendent.

Agency and production department—F. W. Boyle, assistant superintendent.

Automobile department: J. A. Rourke, assistant superintendent; E. J. Connor, assistant superintendent; R. P. Abbott, underwriter.

Compensation and liability department: J. F. Mulhern, Jr., and J. A. Donovan, assistant superintendents.

Executive department: K. E. Fritts, assistant general manager.

Expense control department: W. N. Simons, superintendent; C. G. Scholtz, assistant superintendent.

Forms department: Richard Murray, superintendent.

United States claim department: Arthur C. Aldrich, assistant superintendent.

WANTED

Compensation Underwriter by Chicago company. Rating bureau experience desired. Home office experience necessary.

ADDRESS C-64, NATIONAL UNDERWRITER

COMPANY NEWS

Reserve Mutual Is Examined

Illinois Insurance Department Makes Its Report on the Probe of Chicago Company

The Illinois department has examined the Reserve Mutual Casualty of Chicago located at 30 North La Salle street. It writes health and accident insurance. The examination as of Oct. 1 showed assets \$10,791 and surplus \$6,997. The report says the company is efficiently managed and the surplus is in excess of the minimum statutory requirements. The maximum single risk retained is not in excess of one-fifth of its assets. The examiners find the claims are promptly settled. Jacob Ernest is secretary and A. R. Schuster president.

The company retains 20 percent of the principal sum benefits, the rest being reinsured in the Employers Reinsurance of Kansas City. All business is sold through its own agents. A commission of 30 percent is paid on annual premiums, 40 percent on semi-annual, 50 percent on quarterly and 100 percent on monthly. Renewals of 25 percent are paid. Premiums for the first nine months were \$20,473, total income \$21,268, claims \$8,405, total disbursements \$21,983. Its premium reserve is \$2,370.

Franklin Mutual Takes Over Capitol Mutual's Business

Approval of a deal to reinsure the Capitol Mutual of Springfield, Ill., in the Franklin Mutual of Chicago, was given by the Illinois insurance department. The Franklin is taking over all assets and liabilities, but will carry over only the little over \$25,000 admitted assets of the Capitol in its statement. Some \$200,000 of non-admitted assets will be liquidated. The deal previously was ratified by the boards of both companies, having been worked out under supervision of Director Palmer.

The department some time ago after examining the Capitol Mutual demanded approximately \$65,000 be put in the company, but this was not done. The reinsurance negotiations followed. Liabilities were placed at approximately \$40,000. There was said to be about \$10,000 cash in the assets.

Premium income of the Capitol Mutual in 1935 was approximately \$80,000, Franklin Mutual officials state. The company had a substantial agency force. Its business in force is mainly automobile public liability and property damage, with some automobile fire.

Robert F. Butts of the Capitol Mutual will remain in the home office at Springfield as branch manager for the Franklin Mutual in charge of Illinois agencies. F. B. Lamb, head of the Capitol's claim department, goes along as an adjuster for the Franklin.

PERSONALS

E. F. Ely, 54, who organized the Aetna Life's automobile liability department in 1912, died at his home in New York after an illness of several months. Leaving the Aetna Life in 1924 he joined the General Motors Acceptance Corporation and in 1927 organized Edmund Ely & Co. general agents of the United States Life in New York City.

Charles H. King, who resigns as manager of the Fidelity & Casualty at Cleveland, was born on a farm and like many a farmer boy he learned lessons in his youth that were very valuable to him when he undertook greater responsibilities. W. A. Alexander started in the insurance business at Chicago in

1885. Mr. King became associated with him two years later and shortly was made chief clerk. Later on he became assistant general agent. Then he was admitted to the firm, the four members being Mr. Alexander, J. F. Loubender, W. J. Woods and Mr. King. In the meantime Wade Fetzter had become affiliated with the office as cashier. Now Mr. Fetzter is president of W. A. Alexander & Co.

The announcement of the engagement of James S. Kemper, Jr., son of James S. Kemper, Sr., president Lumbermen's Mutual Casualty and head of a large mutual organization in Chicago, was announced this week. Mr. Kemper is to marry Miss Eleanor Louise Kirkland, daughter of Mr. and Mrs. Weymouth Kirkland of Chicago. Mr. Kirkland is one of the prominent attorneys of Chicago. Mr. Kemper prepared for his college course at Lawrenceville and then graduated from Yale last June. He is now attending Harvard Law School. Miss Kirkland schooled at Vassar and is now attending the University of Chicago.

L. I. Lofgren, several years superintendent of the bonding department of the Aetna Casualty Detroit branch, who was to have taken over the bonding department of the company's Chicago branch several weeks ago, has been discharged from a Detroit hospital after a delicate brain operation and is now convalescing at his home. It will probably be two weeks or more before he will assume his new duties. Mr. Lofgren was president of the Surety Association of Michigan.

E. R. Vickery, 38, treasurer International Travelers Assurance, Dallas, was accidentally killed at his home in that city. He had been home for the day ill and suddenly remembered he had left his shotgun in his car when returning from a hunting trip the day before. Fearing some member of the family might be endangered by the gun in the car, he went to the garage and was fatally wounded removing it from the car.

Los Angeles Managers Meet

Marshall Stimson, prominent Los Angeles attorney, was speaker at the luncheon-meeting of the Accident & Health Managers' of Los Angeles, discussing medical bills regarded as highly objectionable that are expected to be submitted at the next session of the legislature. He stated doctors are becoming more actively interested in the matter and as a result the bills will face opposition of an aggressive group at Sacramento. One objection is possible ultimate lowering of standards of the medical profession. President C. M. Beall presided. Installation of officers Jan. 21. These are: President, E. F. Hanson, of Cass & Johnsoning agency; vice-president, C. H. Thrift, Behrend-Levy agency, and secretary-treasurer, H. B. Johnson, Aetna Life. Directors are: H. C. Gillespie, T. W. Leonard and A. L. Lyttle.

Mayor A. J. Rossi of San Francisco has enlisted the city in the "five-year highway safety campaign" recently launched by the National Safety Council. The campaign is designed to reduce the number of fatal automobile accidents by at least 35 percent by 1940. The National Safety Council is represented in San Francisco by Guy C. Macdonald, secretary of the San Francisco Council for the Reduction of Automobile Accidents and the California Traffic Safety Council.

● SELL Accident and Health Insurance

The Accident and Health Review

tells you how, gives you new sales ideas and suggestions, latest news, court decisions, etc., etc. Send 9c in stamps for sample copy to A-1946, Insurance Exchange, Chicago.

Our Pledge to You
When You Visit

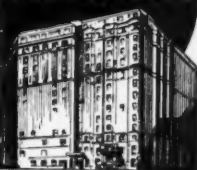
DETROIT

**NO
HIGHER**

\$2. \$2.50 \$3.

FOR A SINGLE
ROOM WITH BATH

That's our offer—
every single room
with private bath.
\$2. \$2.50 \$3.



FACING GRAND CIRCUS PARK

HOTEL TULLER

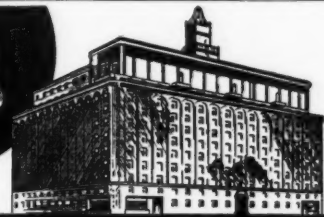
800
ROOMS

CLIFFORD R. TAYLOR,
Managing Director

A magnificent modern
hotel right in down-
town Detroit. Fine
food at low cost.



THE
ONLY
HOTEL
IN



PITTSBURGH
with a *Swimming Pool*

Among the many outstanding features of this new
modern hotel is the large swimming pool available
to all guests without extra charge. Here one finds
every comfort and luxury at low cost.

A LOCATION CONVENIENT AND BEAUTIFUL

In Pittsburgh's beautiful Civic Center overlooking
Schenley Park, away from the smoke and noise of
downtown, yet easily accessible to all
points of interest. Special features for
conventions. Two garages close by.

RICHARD H.
NASH,
MANAGER

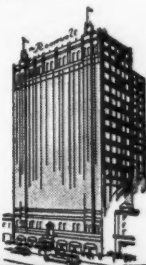
RATES FROM
\$2 DAILY

Hotel WEBSTER HALL

5th AVE. AT DITHRIDGE STREET

300 UP

750
OUTSIDE
ROOMS
WITH BATH



in **NEW ORLEANS**
SERVICE of the HIGHEST

at the • Jas. "Pat" O'Shaughnessy

Roosevelt
HOTEL
"Pride of the South"



*Sport and
Pleasure*

AWAIT YOU IN

SAN ANTONIO

THE TEXAS RESORT BEAUTIFUL

Enjoy the glorious outdoor and resort advan-
tages of San Antonio to the utmost while living
at the magnificent Plaza Hotel. Flawless service,
sumptuous appointments and superlative cuisine.
Home of the brilliant El Mirador - San Antonio's
brightest bright spot. Moderate rates prevail—
single rooms from \$2 daily.

**PLAZA
HOTEL**

JACK WHITE, OPERATOR

HOTEL PLAZA AT
CORPUS CHRISTI UNDER
SAME MANAGEMENT



More per dollar AT THE DRAKE
SAYS PITTSBURGH
BUSINESS LEADER*

Mr. Benj. H. Marshall, Pres.,
The Drake Hotel,
Lake Shore Drive,
Chicago, Illinois.

Dear Mr. Marshall:

I am most happy to tell you
that I found the surroundings at
the Drake as fine as I have ever
found them anywhere and that I
received more per dollar than for
a long time past.

Best regards for your success.
(Original Letter on File)

RATES
BEGIN AT
\$3

The
DRAKE
HOTEL
CHICAGO

BELLEVUE STRATFORD

CLAUDE H. BENNETT, General Manager

In the heart of Philadel-
phia . . . socially, commer-
cially and geographically.

Rates begin at \$3.50

Booking Offices

New York: 11 W. 42nd St., Longacre 5-4500
Pittsburgh: Standard Life Bldg., Court 1488



Great American Insurance Company New York

INCORPORATED - 1872

W. H. KOOP, President



OLD FASHIONS AND NEW

We can properly be proud of being old fashioned

In the soundness of the company's underwriting policy;
In its friendly consideration for agents and their needs;
In its adherence to every rule of correct practice;
In its unquestioned financial standing.

Yet feel an even greater measure of pride in that

The company's well proven policies have always been
so easily adapted to the requirements of the day.

Today's business needs are not those of a few years ago

NEW IDEAS must develop; new methods are needed,
but the basic principle of fair dealing with agents and
policyholders can never change.

WESTERN DEPARTMENT

310 South Michigan Avenue :: CHICAGO, ILL.

C. R. STREET, Vice President G. D. GREGORY, Secretary